

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>		5. MINERAL LEASE NO: ML-22652	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE L.P.		9. WELL NAME and NUMBER: NBU 1024-2L	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1849'FSL, 520'FWL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 15.7 MILES SOUTH OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 520'	16. NUMBER OF ACRES IN LEASE: 489.92	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 9,400	20. BOND DESCRIPTION: RLB0005237	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5055'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:	

24.

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8 H-40 32.3#	2,200	265 SX CLASS G 1.18 YIELD 15.6 PPG
7 7/8"	4 1/2 I-80 11.6#	9,400	1930 SX 50/50 POZ 1.31 YIELD 14.3 PPG

25.

**ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER     | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN                                   |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST  
SIGNATURE [Signature] DATE 11/7/2006

(This space for State use only)

Approved by the  
Utah Division of  
Oil, Gas and Mining

RECEIVED  
NOV 13 2006

API NUMBER ASSIGNED: 43-047-38843

APPROVAL:

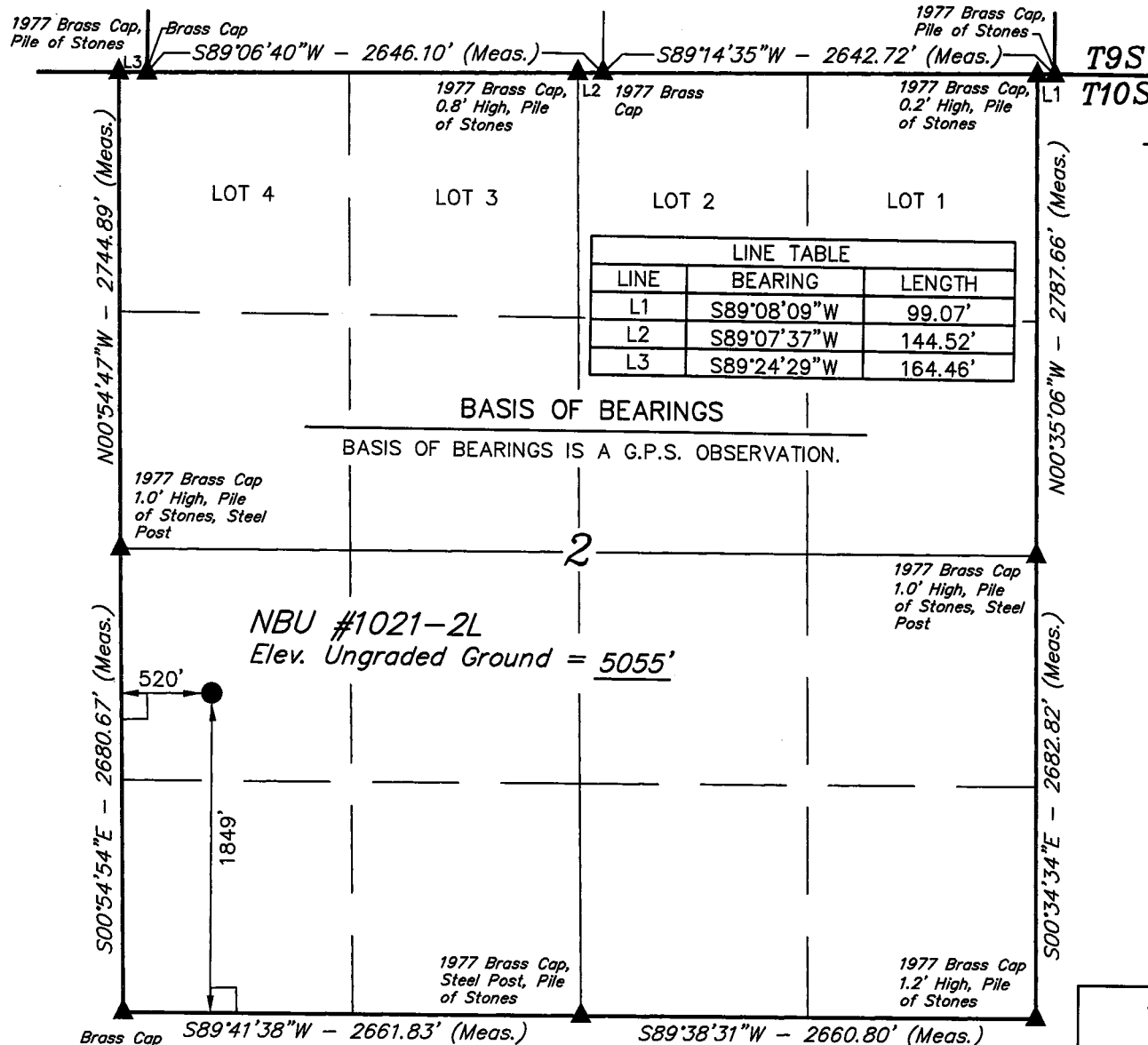
DIV. OF OIL, GAS & MINING

Date: 02-14-07  
(See Instructions on Reverse Side)  
By: [Signature]

T10S, R21E, S.L.B.&M.

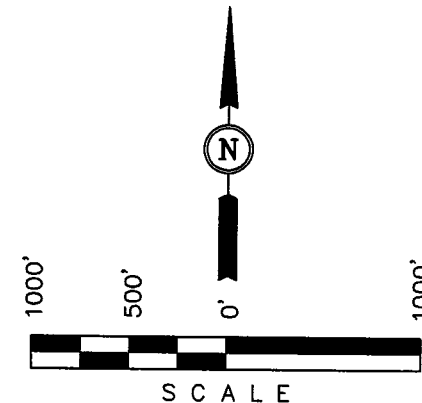
Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-2L, located as shown in the NW 1/4 SW 1/4 of Section 2, T10S, R21E, S.L.B.&M. Uintah County, Utah.



### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

ROBERT L. KAY

REGISTERED LAND SURVEYOR

REGISTRATION NO. 161919

STATE OF UTAH

### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

LATITUDE = 39°58'31.08" (39.975300)

LONGITUDE = 109°31'36.68" (109.526856)

(NAD 27)

LATITUDE = 39°58'31.21" (39.975336)

LONGITUDE = 109°31'34.21" (109.526169)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 09-14-06	DATE DRAWN: 09-19-06
PARTY J.W. A.A. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 1021-2L  
NWSW SEC. 2, T10S, R21E  
UINTAH COUNTY, UTAH  
ML-22652**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1322'
Top of Birds Nest Water	1586'
Mahogany	2240'
Wasatch	4567'
Mesaverde	7349'
MVU2	8264'
MVL1	8859'
TD	9400'

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	1322'
	Top of Birds Nest Water	1586'
	Mahogany	2240'
Gas	Wasatch	4567'
Gas	Mesaverde	7349'
Gas	MVU2	8264'
Gas	MVL1	8859'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment (Schematic Attached)**

*Please refer to the attached Drilling Program.*

**4. Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

**5. Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

**6. Evaluation Program:**

*Please refer to the attached Drilling Program.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9400' TD, approximately equals 5828 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3760 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please refer to the attached Drilling Program.*

10. **Other Information:**

*Please refer to the attached Drilling Program.*



# KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE November 7, 2006  
WELL NAME NBU 1021-2L TD 9,400' MD/TVD  
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,055' GL KB 5,070'  
SURFACE LOCATION NWSW SEC. 2, T10S, R21E 1849'FSL, 520'FWL BHL Straight Hole  
Latitude: 39.975300 Longitude: 109.526856  
OBJECTIVE ZONE(S) Wasatch/Mesaverde  
ADDITIONAL INFO Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,567'					
	Green River @	1,322'			
	Top of Birds Nest Water @	1586'			
	Preset f/ GL @				
	2,200' MD				
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany @	2,240'			
Mud logging program TBD					
Open hole logging program f/ TD - surf csg					
	Wasatch @	4,567'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.5 ppg
	Mverde @	7,349'			
	MVU2 @	8,264'			
	MVL1 @	8,859'			
					Max anticipated Mud required 11.5 ppg
		TD @ 9,400'			

# KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

## CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2200	32.30	H-40	STC	0.64*****	1.33	4.08
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9400	11.60	I-80	LTC	2.19	1.13	2.11

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.5 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

MASP 3553 psi

\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

## CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,060'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	440	60%	11.00	3.38
	TAIL	5,340'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1490	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

## FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

## ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder &

tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

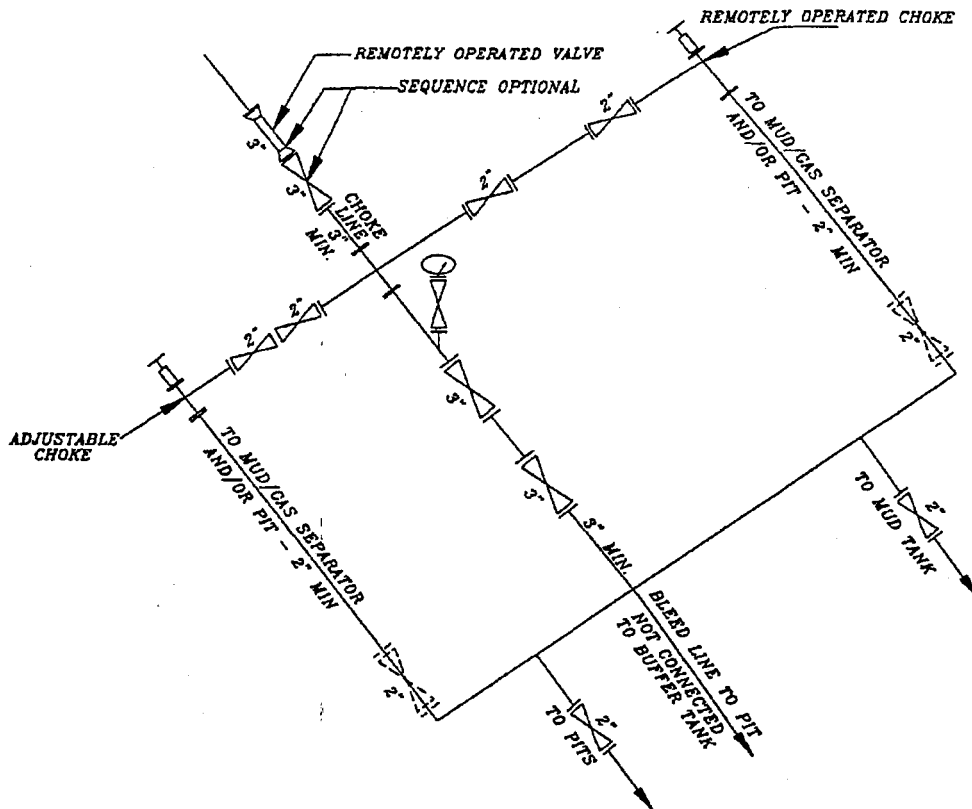
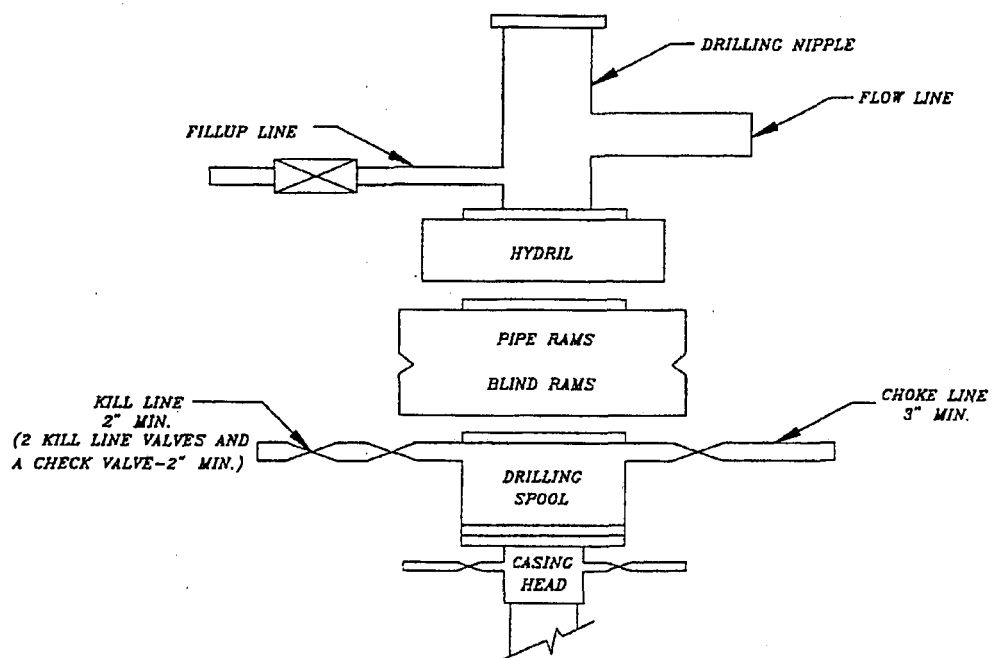
DATE:

DRILLING SUPERINTENDENT:

Randy Bayne

DATE:

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1021-2L  
NWSW SEC. 2, T10S, R21E  
Uintah County, UT  
ML-22652

ONSHORE ORDER NO. 1

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

**1. Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

Approximately 0.2 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

*Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.*

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

**3. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain



fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 1164' +/- of 4" pipeline is proposed from the location to an tie-in point. Refer to Topo Map D.

**5. Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will

be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

**8. Ancillary Facilities:**

None are anticipated.

**9. Well Site Layout: (See Location Layout Diagram)**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

**10. Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

SITLA  
675 East 500 South, Suite 500  
Salt Lake City, UT 84102

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey will be submitted when report becomes available.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. **Lessee's or Operators's Representative & Certification:**

Sheila Upchego  
Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East.  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.



Sheila Upchego

11/7/2006

Date

# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-2L

SECTION 2, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 46.5 MILES.

# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-2L

LOCATED IN UTAH COUNTY, UTAH  
SECTION 2, T10S, R21E, S.L.B.&M.

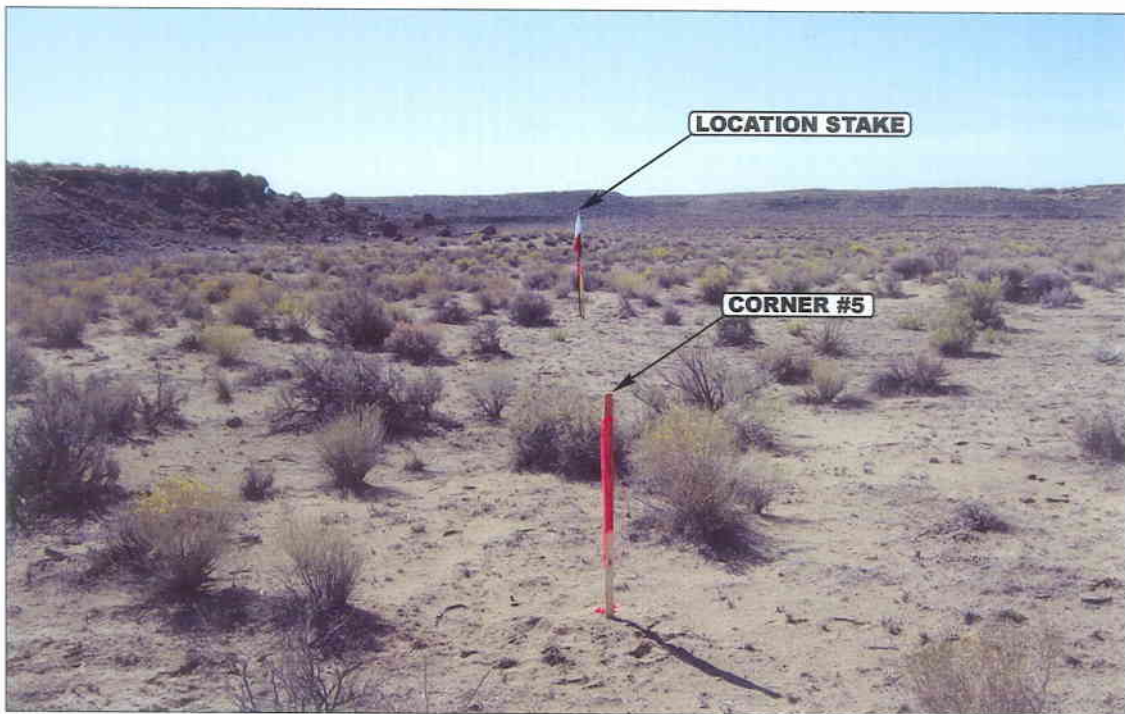


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

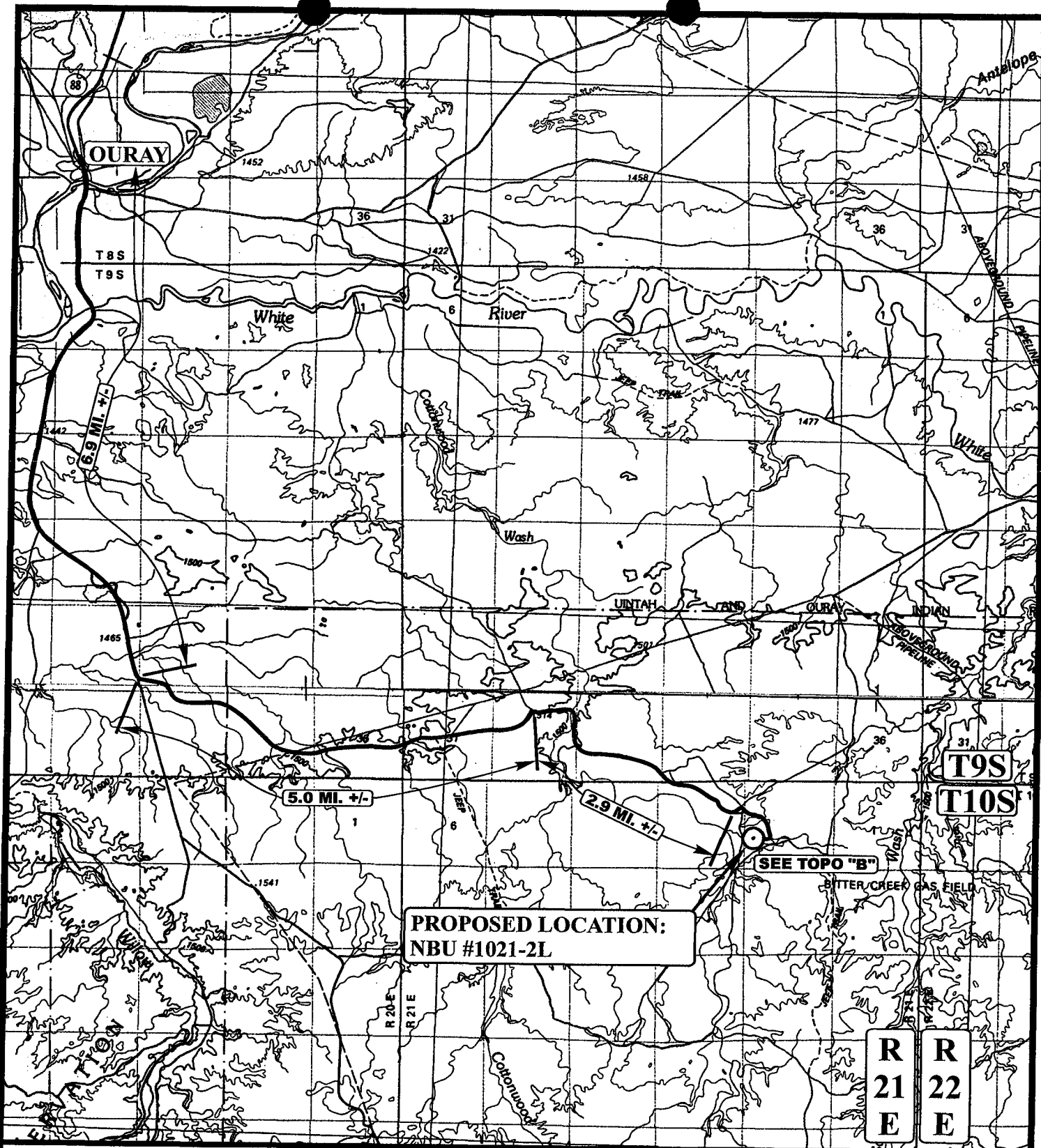
09 20 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: J.W.

DRAWN BY: A.A.

REVISED: 00-00-00



# **LEGEND:**

⊙ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-2L

SECTION 2, T10S, R21E, S.L.B.&M.

1849' FSL 520' FWL



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAG (435) 789-1813

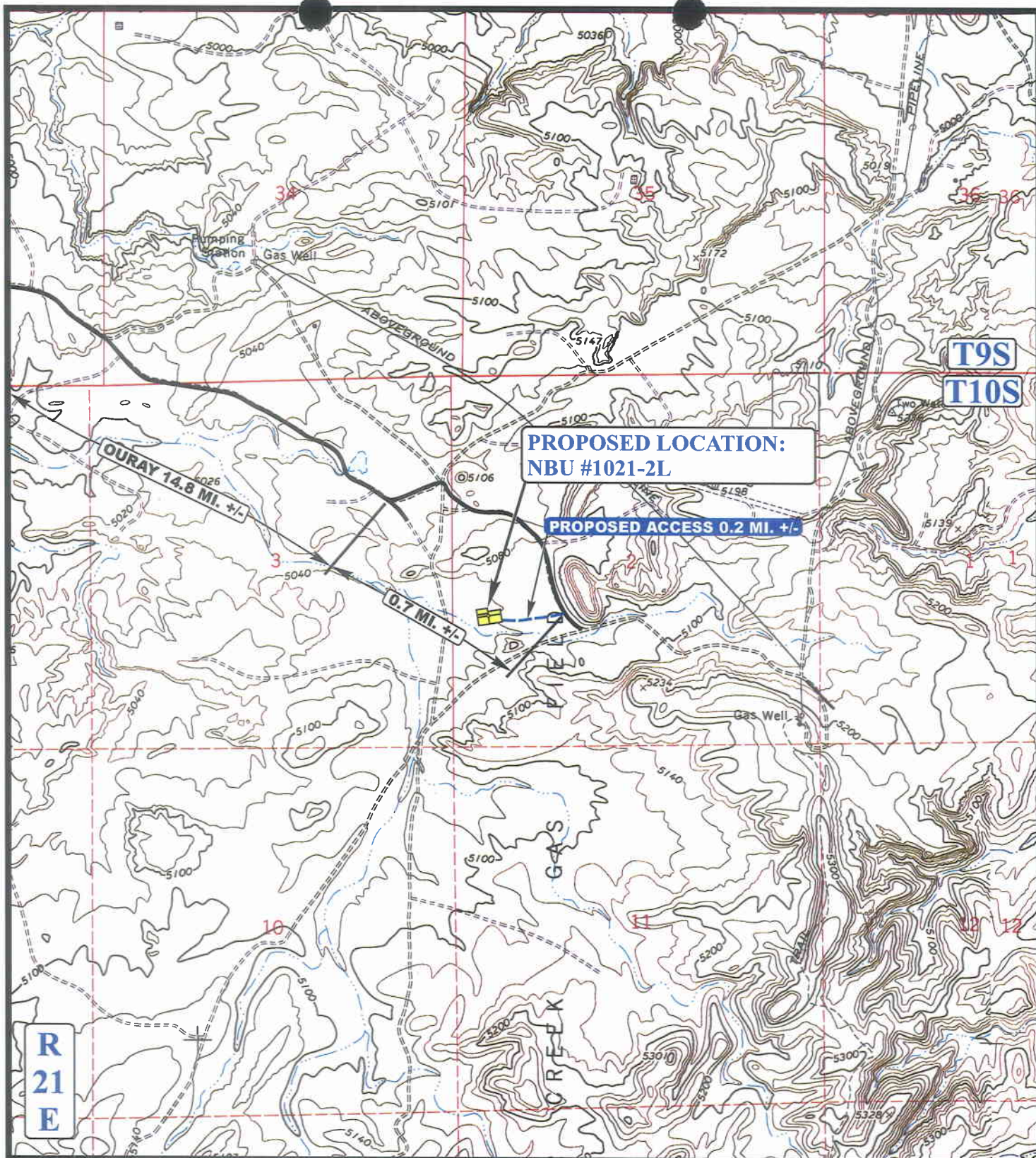
**TOPOGRAPHIC**  
**MAP**

**09** **20** **06**  
MONTH DAY YEAR

SCALE: 1=100,000 DRAWN BY: A.A. REVISED: 00-00-00







# LEGEND:

EXISTING ROAD  
 PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

**NBU #1021-2L**  
**SECTION 2, T10S, R21E, S.L.B.&M.**  
**1849' FSL 520' FWL**



**Uintah Engineering & Land Surveying**  
**85 South 200 East Vernal, Utah 84078**  
**(435) 789-1017 \* FAG (435) 789-1813**



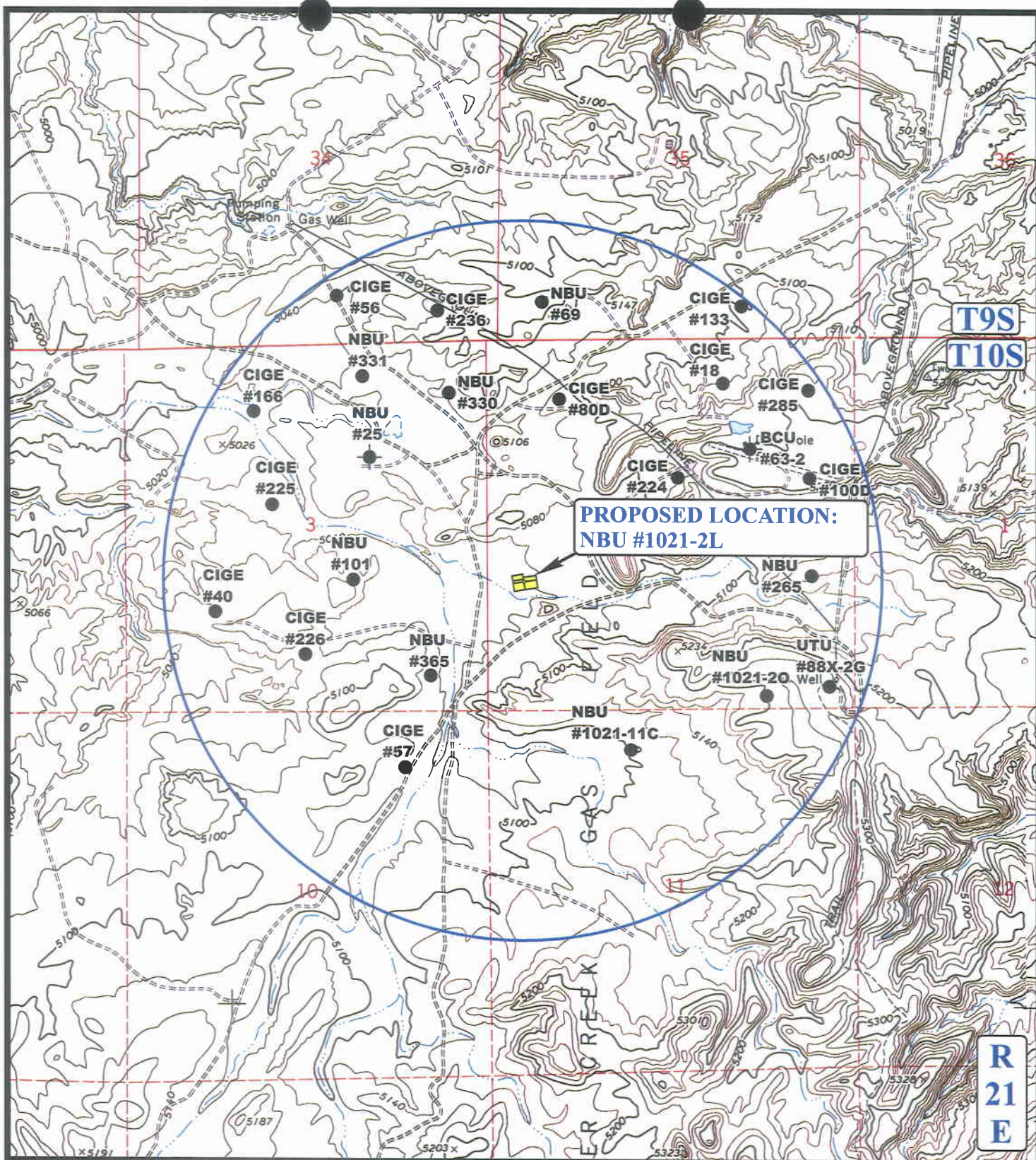
**TOPOGRAPHIC**  
**MAP**

**09 20 06**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: A.A. REVISED: 00-00-00

**B**  
 TOPO





# LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Kerr-McGee Oil & Gas Onshore LP

**NBU #1021-2L**  
**SECTION 2, T10S, R21E, S.L.B.&M.**  
**1849' FSL 520' FWL**



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 85 South 200 East Vernal, Utah 84078  
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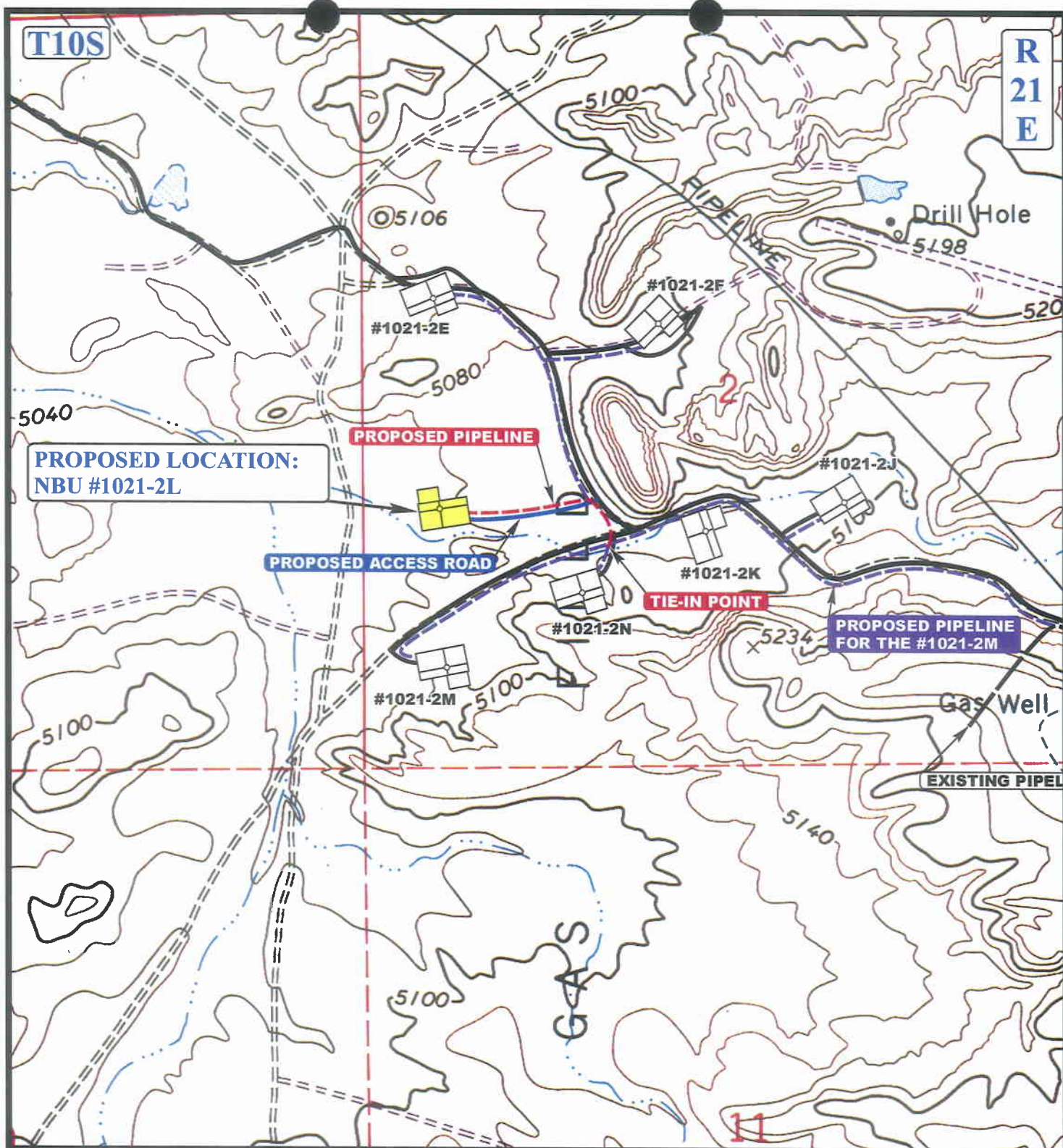
**TOPOGRAPHIC**  
**MAP**

**09 20 06**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: A.A. REVISED: 00-00-00







**APPROXIMATE TOTAL PIPELINE DISTANCE = 1164' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- - - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)



**Kerr-McGee Oil & Gas Onshore LP**

**NBU #1021-2L  
SECTION 2, T10S, R21E, S.L.B.&M.  
1849' FSL 520' FWL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**09 20 06**  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: A.A. REVISED: 00-00-00

**D**  
TOPO



# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-2L

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 2, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF PIPELINE AT LOCATION

CAMERA ANGLE: WESTERLY



**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

- Since 1964 -

PIPELINE PHOTOS

09 20 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: A.A.

REVISED: 00-00-00

# Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

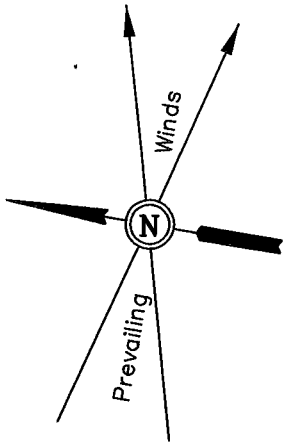
## LOCATION LAYOUT FOR

NBU #1021-2L

SECTION 2, T10S, R21E, S.L.B.&M.

1849' FSL 520' FWL

Proposed Access Road



SCALE: 1" = 50'

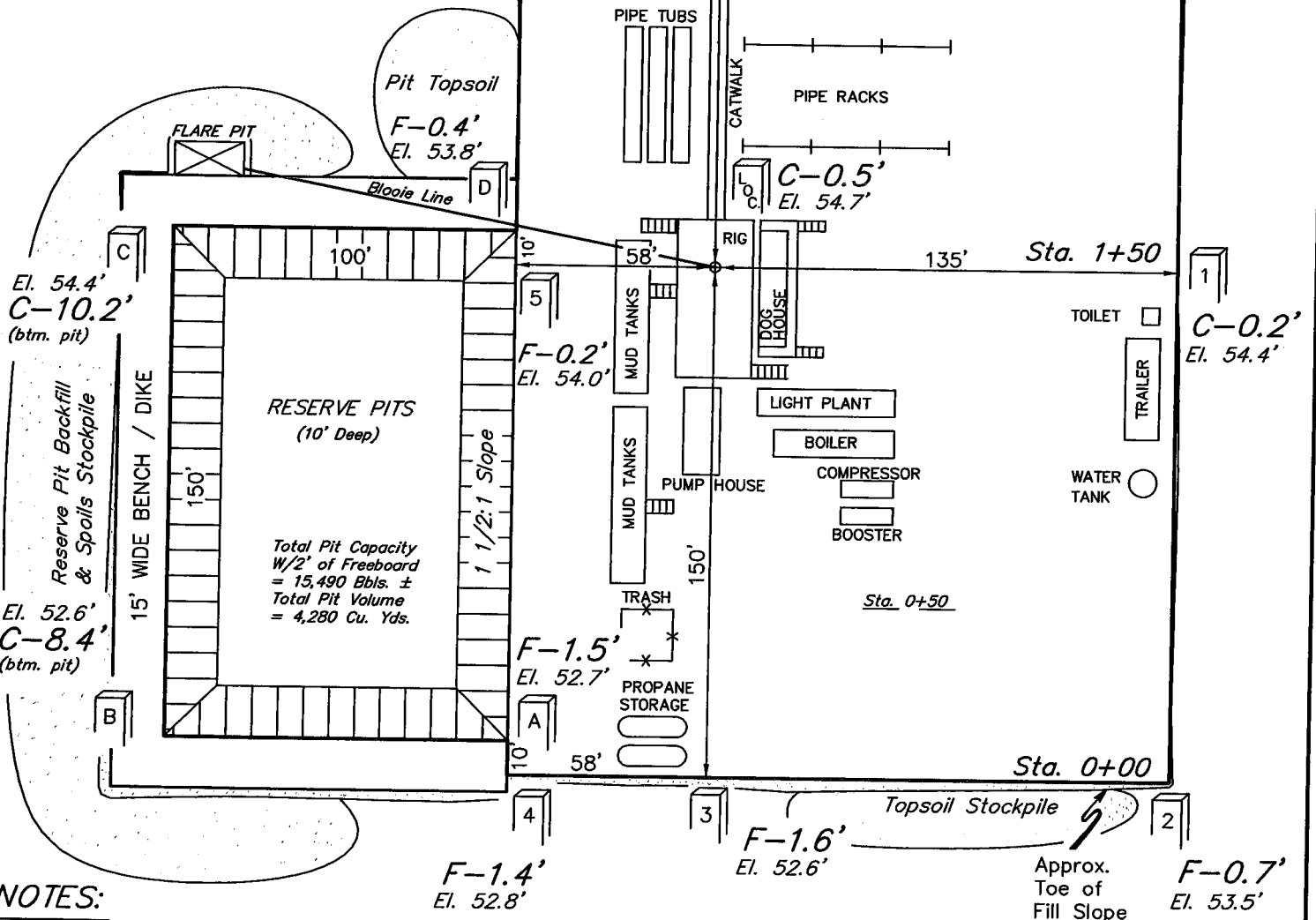
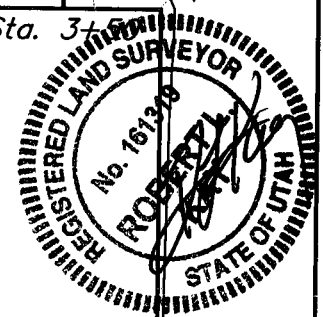
DATE: 09-19-06

Drawn By: S.L.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Approx.  
Top of  
Cut Slope



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 5054.7'

FINISHED GRADE ELEV. AT LOC. STAKE = 5054.2'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# Kerr-McGee Oil & Gas Onshore LP

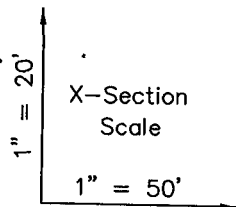
## TYPICAL CROSS SECTIONS FOR

NBU #1021-2L

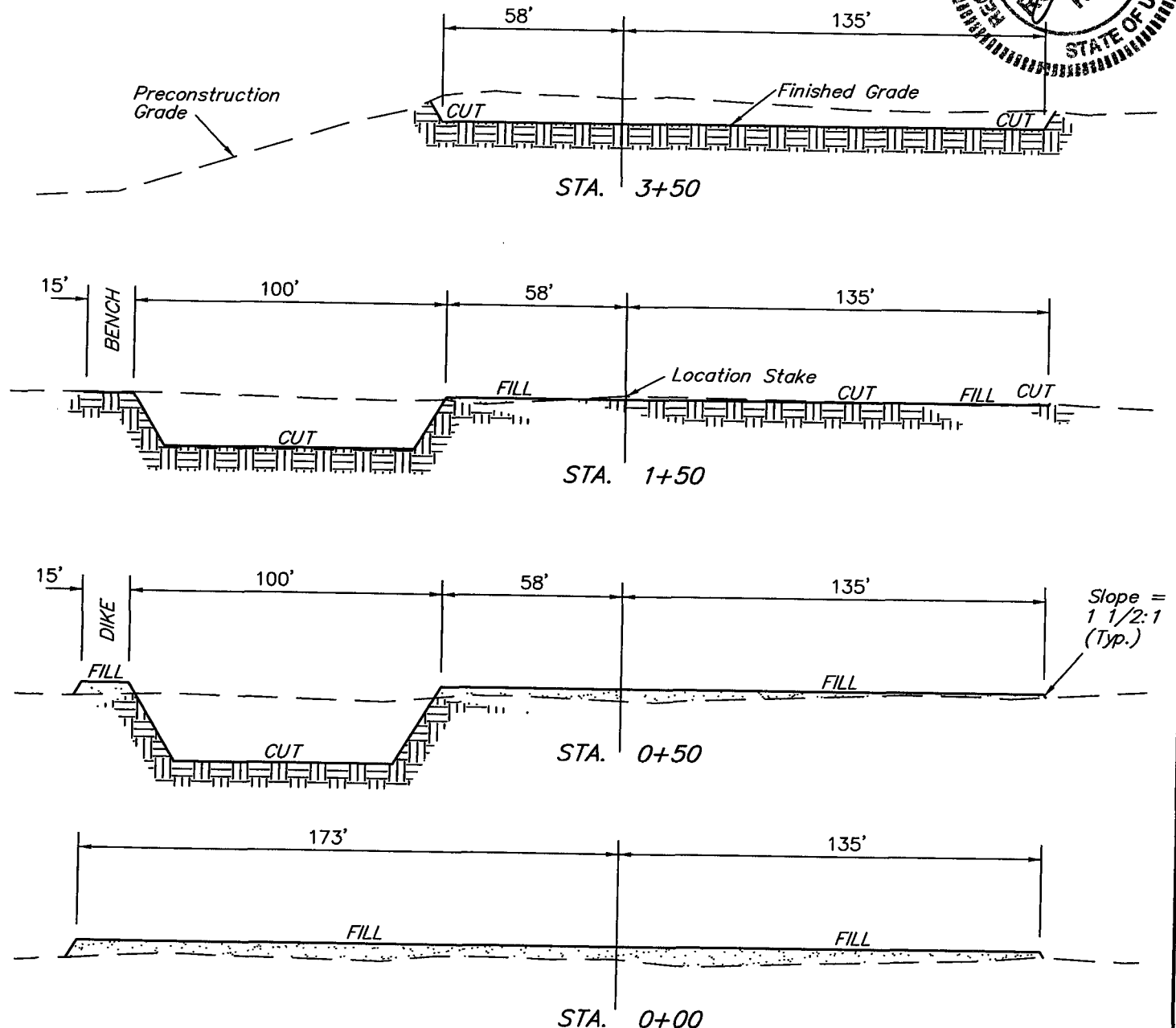
SECTION 2, T10S, R21E, S.L.B.&M.

1849' FSL 520' FWL

FIGURE #2



DATE: 09-19-06  
Drawn By: S.L.



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,720 Cu. Yds.
Remaining Location	= 4,690 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 6,410 CU.YDS.</b>
<b>FILL</b>	<b>= 1,960 CU.YDS.</b>

EXCESS MATERIAL	= 4,450 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,860 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 590 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/13/2006

API NO. ASSIGNED: 43-047-38843

WELL NAME: NBU 102~~2~~-2L

OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

**PROPOSED LOCATION:**

NWSW 02 100S 210E

SURFACE: 1849 FSL 0520 FWL

BOTTOM: 1849 FSL 0520 FWL

COUNTY: UINTAH

LATITUDE: 39.97527 LONGITUDE: -109.5261

UTM SURF EASTINGS: 625860 NORTHINGS: 4425842

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	<u>DRD</u>	<u>12/13/06</u>
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-22652

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 22013542 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 43-8496 )  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

**LOCATION AND SITING:**

       R649-2-3.  
Unit: NATURAL BUTTES  
       R649-3-2. General  
Siting: 460' From Qtr/Qtr & 920' Between Wells  
       R649-3-3. Exception  
☒ Drilling Unit  
Board Cause No: 12314  
Eff Date: 12-2-1999  
Siting: 460' fr u/bdy Sunnyside Tract  
       R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

Needs Presto (11-17-06)

STIPULATIONS: \_\_\_\_\_

1- STATEMENT OF BASIS  
2- OIL SHALE  
3- Surf. Csg Cont Strip

# NATURAL BUTTES FIELD

## NATURAL BUTTES UNIT

CAUSE: 173-14 / 12-2-1999

NBU 69N2

CIGE 283

MORGAN  
STATE 14-36

CIGE 236

CIGE 133

T9S R21E

T10S R21E

NBU 1021-2C  
CIGE 246-2-10-21

CIGE 18

CIGE 107D

NBU 330

CIGE 80D

CIGE 285

NBU  
1021-3H

NBU  
1021-2E

CIGE  
169-2-10-21

CIGE 224  
BHL  
224

BITTER  
CREEK U 63-2

CIGE 284

CIGE 100D

NBU  
1021-2F

2

NBU  
1021-2L

NBU  
1021-2K

NBU  
1021-2J

NBU 265

NBU 211

NBU 8

NBU  
1021-2N

NBU  
1021-2M

NBU 444  
NBU 1021-1M  
(RIGSKID)

NBU 365

NBU  
1021-2O

UTE TRAIL  
U 88X2G

NBU  
1021-11D

NBU  
1021-11C

NBU 427

NBU 268  
BHL  
268

CIGE 57

OPERATOR: KERR MCGEE O&G (N2995)

SEC: 2 T.10S R. 21E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

### Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

### Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

### Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



PREPARED BY: DIANA MASON  
DATE: 16-NOVEMBER-2006



# Application for Permit to Drill

## Statement of Basis

### Utah Division of Oil, Gas and Mining

11/30/2006

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
162	43-047-38843-00-00		GW	S	No
<b>Operator</b>	KERR-MCGEE OIL & GAS ONSHORE, LP		<b>Surface Owner-APD</b>		
<b>Well Name</b>	NBU 1022-2L		<b>Unit</b>		
<b>Field</b>	UNDESIGNATED		<b>Type of Work</b>		
<b>Location</b>	NWSW 2 10S 21E S 0 F L 0 F L GPS Coord (UTM) 625860E 4425842N				

#### Geologic Statement of Basis

Kerr McGee proposes to set 2,200' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,600'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of section 2. The well is approximately .75 miles from the proposed location. It produces from a depth of 2,640 and is listed as being used for oil field drilling water. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

Brad Hill  
APD Evaluator

11/30/2006  
Date / Time

#### Surface Statement of Basis

The surface and minerals for the proposed location are both owned by SITLA. Mr. Jim Davis represented SITLA at the pre-site and had no concerns not covered in the APD. The proposed location appears to be the best site for drilling and operating a well in the immediate area.

The general area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and oilfield development roads a distance of 51 miles from Vernal, UT.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 3 miles. No springs exist in the area.

This proposed location is a sand dune area at the junction of 2 open draws and slopes slightly to the south. Higher ridges are located to the northeast to the west and contain sandstone ledge outcrops. A constructed pond containing water from runoff is about 100 yards to the north. A drainage separates the pond from the proposed pad.

Floyd Bartlett  
Onsite Evaluator

11/17/2006  
Date / Time

#### Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

# **ON-SITE PREDRILL EVALUATION**

## **Utah Division of Oil, Gas and Mining**

**Operator** KERR-MCGEE OIL & GAS ONSHORE, LP  
**Well Name** NBU 1022-2L  
**API Number** 43-047-38843-0 **APD No** 162 **Field/Unit** UNDESIGNATED  
**Location:** 1/4,1/4 NWSW **Sec** 2 **Tw** 10S **Rng** 21E 0 FL 0 FL  
**GPS Coord (UTM)** 625859 4425851 **Surface Owner**

### **Participants**

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes (Kerr McGee), David Kay (UELS).

### **Regional/Local Setting & Topography**

The general area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and oilfield development roads a distance of 51 miles from Vernal, UT.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 3 miles. No springs exist in the area.

This proposed location is a sand dune area at the junction of 2 open draws and slopes slightly to the south. Higher ridges are located to the northeast to the west and contain sandstone ledge outcrops. A constructed pond containing water from runoff is about 100 yards to the north. A drainage separates the pond from the proposed pad.

### **Surface Use Plan**

#### **Current Surface Use**

Grazing

Wildlife Habitat

#### **New Road**

<b>Miles</b>	<b>Well Pad</b>		<b>Src Const Material</b>	<b>Surface Formation</b>
0.2	<b>Width</b> 278	<b>Length</b> 350	Onsite	UNTA

**Ancillary Facilities** N

### **Waste Management Plan Adequate? Y**

### **Environmental Parameters**

**Affected Floodplains and/or Wetland** N

#### **Flora / Fauna**

Moderately vegetated big sagebrush type with rabbit brush, shadscale curly mesquite, Indian ricegrass, spiny hopsage, halogeton, prickly pear and annual mustard also occurring.

Antelope, rabbits, small reptiles, birds and mammals. Sheep graze the area in the winter

#### **Soil Type and Characteristics**

Very deep sandy loam

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required** N

**Berm Required?** N

**Erosion Sedimentation Control Required?** N

**Paleo Survey Run?** Y    **Paleo Potential Observed?** N    **Cultural Survey Run?** Y    **Cultural Resources?**

**Reserve Pit**

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	300 to 1000	2
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
Final Score		27
		1
		Sensitivity Level

**Characteristics / Requirements**

150' by 100' and 10' deep. The reserve pit is all within cut on the north westt side of the location. A 15' wide bench is planned around the outer edges and 2' of freeboard.

A pit liner is required. Kerr McGee lines all pits with a 20 mil liner and a felt sub-liner.

**Closed Loop Mud Required?** N    **Liner Required?** Y    **Liner Thickness** 20    **Pit Underlayment Required?** Y

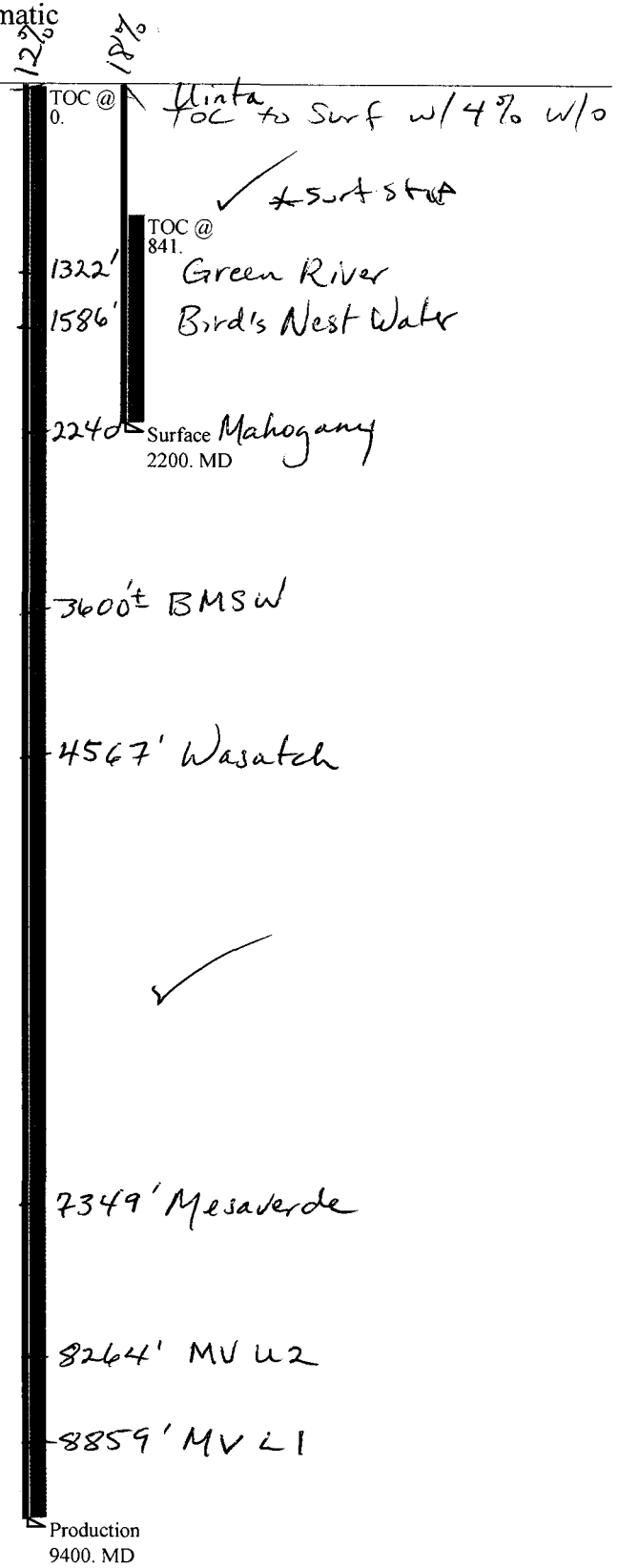
**Other Observations / Comments**

Floyd Bartlett  
Evaluator

11/17/2006  
Date / Time

Casing Schematic

Surface



BHP  
 $0.052(9400)11.5 = 5621 \text{ psi}$   
 anticipate 3760 @ surf

Gas  
 $.12(9400) = 1128$   
 $5621 - 1128 = 4493 \text{ psi}$   
 MASP  
 9-5/8" MW 8.4 Frac 19.3

BOPE - 5M ✓

Burst - 2270  
 70% = 1589 psi

Max P @ surf. shoe  
 $.22(7200) = 1584$   
 $5621 - 1584 = 4037 \text{ psi}$

test to 1589 psi ✓

✓ Slip ⇒ surf. cont  
 (top off planned)

✓ Adequate DUD 12/13/06

4-1/2" MW 11.5

Production 9400. MD

Well name:

**2006-12 Kerr McGee NBU 1021-2L**Operator: **Kerr McGee Oil & Gas Onshore, LP**String type: **Surface**

Project ID:

**43-047-38843**Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 8.400 ppg  
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 106 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top: 841 ft

**Burst**Max anticipated surface  
pressure: 1,936 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 2,200 psi

No backup mud specified.

**Tension:**8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)Tension is based on buoyed weight.  
Neutral point: 1,929 ft**Non-directional string.****Re subsequent strings:**Next setting depth: 9,400 ft  
Next mud weight: 11.500 ppg  
Next setting BHP: 5,616 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 2,200 ft  
Injection pressure: 2,200 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2200	9.625	32.30	H-40	ST&C	2200	2200	8.876	972.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	960	1370	1.427	2200	2270	1.03	62	254	4.08 J

Prepared Helen Sadik-Macdonald  
by: Div of Oil, Gas & MineralsPhone: (801) 538-5357  
FAX: (801) 359-3940Date: December 11, 2006  
Salt Lake City, Utah**Remarks:**Collapse is based on a vertical depth of 2200 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

Well name:

**2006-12 Kerr McGee NBU 1021-2L**Operator: **Kerr McGee Oil & Gas Onshore, LP**String type: **Production**

Project ID:

**43-047-38843**Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 11.500 ppg  
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 207 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top: Surface

**Burst**Max anticipated surface  
pressure: 3,547 psi  
Internal gradient: 0.220 psi/ft  
Calculated BHP 5,615 psi

No backup mud specified.

**Tension:**8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)**Non-directional string.**

Tension is based on buoyed weight.

Neutral point: 7,784 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9400	4.5	11.60	I-80	LT&C	9400	9400	3.875	820.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5615	6360	1.133	5615	7780	1.39	90	212	2.35 J

Prepared Helen Sadik-Macdonald  
by: Div of Oil, Gas & MineralsPhone: (801) 538-5357  
FAX: (801) 359-3940Date: December 11, 2006  
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 9400 ft, a mud weight of 11.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop &amp; Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

November 22, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2006 Plan of Development Natural Buttes Unit  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-38838	NBU 1021-2E	Sec 2 T10S R21E 2068 FNL 0471 FWL
43-047-38839	NBU 1021-2F	Sec 2 T10S R21E 2271 FNL 2090 FWL
43-047-38840	NBU 1021-2N	Sec 2 T10S R21E 1253 FSL 1545 FWL
43-047-38841	NBU 1021-2M	Sec 2 T10S R21E 0730 FSL 0576 FWL
43-047-38842	NBU 1021-2K	Sec 2 T10S R21E 1682 FSL 2432 FWL
43-047-38843	NBU 1021-2L	Sec 2 T10S R21E 1849 FSL 0520 FWL
43-047-38844	NBU 1021-2J	Sec 2 T10S R21E 1868 FSL 1998 FEL
43-047-38851	State 1022-250	Sec 25 T10S R22E 1274 FSL 2121 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:11-22-06

**From:** Ed Bonner  
**To:** Mason, Diana  
**Date:** 2/14/2007 9:50 AM  
**Subject:** The following wells have been given cultural resource clearance by the Trust Lands Cultural Resource

**CC:** Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil; sheila.upchego...  
The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Kerr McGee Oil & Gas Onshore LP  
NBU 1022-7H-4 (API 43 047 38570)  
NBU 1021-2E (API 43 047 38838)  
NBU 1021-2F (API 43 047 38839)  
NBU 1021-2M (API 43 047 38841)  
NBU 1021-2K (API 43 047 38842)  
NBU 1021-2L (API 43 047 38843)  
NBU 1021-2J (API 43 047 38844)  
NBU 1021-36D (API 43 047 38845)  
NBU 1021-36E (API 43 047 38846)  
NBU 1021-36F (API 43 047 38847)  
NBU 1021-36N (API 43 047 38848)  
NBU 1021-36K (API 43 047 38849)  
NBU 1021-36C (API 43 047 38850)  
NBU 1021-1G (API 43 047 39001)  
NBU 1021-1O (API 43 047 39002)  
NBU 1021-1P (API 43 047 39003)  
NBU 1021-30I (API 43 047 39020)  
NBU 1021-30J (API 43 047 39021)  
NBU 1021-30K (API 43 047 39022)  
NBU 1021-30L (API 43 047 39023)  
NBU 1021-30M (API 43 047 39024)  
NBU 1021-30N (API 43 047 39025)

If you have any questions regarding this matter please give me a call.





**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

February 14, 2007

Kerr-McGee Oil & Gas Onshore LP  
1368 S 1200 E  
Vernal, UT 84078

Re: NBU 1021-2L Well, 1849' FSL, 520' FWL, NW SW, Sec. 2, T. 10 South,  
R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38843.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor (via e-mail)  
Bureau of Land Management, Vernal District Office  
SITLA

**Operator:** Kerr-McGee Oil & Gas Onshore LP  
**Well Name & Number** NBU 1021-2L  
**API Number:** 43-047-38843  
**Lease:** ML-22652

**Location:** NW SW                      **Sec.** 2                      **T.** 10 South                      **R.** 21 East

### **Conditions of Approval**

#### **1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### **2. Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at:                      (801) 538-5338 office  
   (801) 733-0983 home
- Carol Daniels at:                      (801) 538-5284 office
- Dustin Doucet at:                      (801) 538-5281 office  
   (801) 733-0983 home

#### **3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. Surface casing shall be cemented to the surface.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

RECEIVED

FORM 3

NOV 09 2006

AMENDED REPORT ☐  
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

BLM MINERAL LEASE NO: 22652

6. SURFACE:  
State

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

8. UNIT or CA AGREEMENT NAME:

UNIT #891008900A

9. WELL NAME and NUMBER:

NBU 1022-2L

10. FIELD AND POOL, OR WILDCAT:

NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE,  
MERIDIAN:

NWSW 2 10S 21E

12. COUNTY:

UINTAH

13. STATE:

UTAH

1A. TYPE OF WORK:

DRILL ☒ REENTER ☐ DEEPEN ☐

B. TYPE OF WELL:

OIL ☐ GAS ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☒

2. NAME OF OPERATOR:

KERR MCGEE OIL & GAS ONSHORE L.P.

3. ADDRESS OF OPERATOR:

1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:

(435) 781-7024

4. LOCATION OF WELL (FOOTAGES)

AT SURFACE: 1849'FSL, 520'FWL

AT PROPOSED PRODUCING ZONE:

43.047.38843

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:

15.7 MILES SOUTH OF OURAY, UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)

520'

16. NUMBER OF ACRES IN LEASE:

489.92

17. NUMBER OF ACRES ASSIGNED TO THIS WELL:

40.00

18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR  
APPLIED FOR) ON THIS LEASE (FEET)

REFER TO TOPO C

19. PROPOSED DEPTH:

9,400

20. BOND DESCRIPTION:

RLB0005237

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):

5055'GL

22. APPROXIMATE DATE WORK WILL START:

23. ESTIMATED DURATION:

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8 H-40 32.3#	2,200	265 SX CLASS G 1.18 YIELD 15.6 PPG
7 7/8"	4 1/2 I-80 11.6#	9,400	1930 SX 50/50 POZ 1.31 YIELD 14.3 PPG

ATTACHMENTS

25. VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☒ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER  
☒ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- ☒ COMPLETE DRILLING PLAN  
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 11/7/2006

(This space for State use only)

API NUMBER ASSIGNED:

APPROVAL:

(11/2001)

(See Instructions on Reverse Side)

ACCEPTED BY BLM FOR  
UNIT PURPOSES ONLY  
RECEIVED

MAR 2 1 2007  
MAR 30 2007

DIV. OF OIL, GAS & MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office  
170 South 500 East  
Vernal, UT 84078  
(435) 781-4400 Fax: (435) 781-4410



IN REPLY REFER TO:

3160  
UT08300

March 22, 2007

Ramey Hoopes  
Kerr-McGee Oil & Gas Onshore, LP  
1368 South 1200 East  
P.O. Box 1148  
Vernal, Utah 84078

Re Application for Permit to Drill  
NBU 1021-2E;  
NBU 1021-2F;  
NBU 1021-2J;  
NBU 1021-2K;  
NBU 1022-2L;  
NBU 1021-2M  
SITLA Surface Ownership

Dear Ms. Hoopes:

Enclosed are your copies of the above State referenced APDs which we have accepted for Unit purposes.

If you have any questions, please contact me at (435) 781-4422.

Sincerely,

//s// Phyllis Phillips  
Legal Instruments Examiner

Enclosures

cc: Well File  
Reading File  
Division of Oil-Gas-Mining

**RECEIVED**  
**MAR 30 2007**  
DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1021-2L
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1849'FSL, 520'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E		9. API NUMBER: 4304738843
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON FEBRUARY 14, 2007.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 02-25-08  
By: [Signature]

COPY SENT TO OPERATOR

Date: 2-26-2008  
Initials: KS

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE <u>[Signature]</u>	DATE <u>2/6/2008</u>

(This space for State use only)

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FEB 25 2008

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738843  
**Well Name:** NBU 1021-2L  
**Location:** NW/SW SEC. 2, T10S, R21E  
**Company Permit Issued to:** KERR McGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 2/14/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

2/6/2008

Date

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

**RECEIVED**  
**FEB 25 2008**  
DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738843	NBU 1021-2L		NWSW	2	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	5/20/2008			<u>5/29/08</u>	
<b>Comments:</b> MIRU PETE MARTIN BUCKET RIG. <u>WSTNVD</u> SPUD WELL LOCATION ON 05/20/2008 AT 1100 HRS.							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<b>Comments:</b>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<b>Comments:</b>							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

5/22/2008

Title

Date

**RECEIVED**

**MAY 22 2008**

**DIV. OF OIL, GAS & MINING**



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

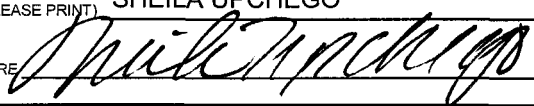
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1849'FSL, 520'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E		8. WELL NAME and NUMBER: NBU 1021-2L
		9. API NUMBER: 4304738843
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: WELL SPUD
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 05/20/2008 AT 1100 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 5/22/2008

(This space for State use only)

RECEIVED

MAY 27 2008

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1849'FSL, 520'FWL		8. WELL NAME and NUMBER: NBU 1021-2L
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E		9. API NUMBER: 4304738843
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		


11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SET SURFACE CSG.
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 05/23/2008. DRILLED 12 1/4" SURFACE HOLE TO 2250'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/300 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TAILED CMT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT 100 +/- PSI LIFT. TOP OUT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE WOC. 2ND TOP OUT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 5/28/2008

(This space for State use only)

RECEIVED

JUN 09 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1021-2L
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1849'FSL, 520'FWL		9. API NUMBER: 4304738843
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA


TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS.
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2250' TO 9480' ON 06/29/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/550 SX PREM LITE II @11.9 PPG 2.38 YIELD. TAILED CMT W/1040 SX 50/50 POZ @14.3 PPG 1.31 YIELD. WASH LINES DROP PLUG & DISPLACE W/146 BBLS WATER W/CLAYSTAY & MAGNACIDE TO BUMP PLUG W/3300 PSI RELEASE PSI AND FLOATS HELD. NO CMT TO SURFACE. WASH STACK AND HANG CASING W/60K TEST HANGER TO 5000 PSI TEST OK. ND BOPS CLEAN TANKS.

RELEASED ENSIGN RIG 12 ON 06/30/2008 AT 2359 HRS.

RECEIVED  
JUL 11 2008  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 7/8/2008

(This space for State use only)

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1021-2L
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1849'FSL, 520'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E		9. API NUMBER: 4304738843
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: PRODUCTION START-UP
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 08/01/2008 AT 9:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 8/6/2008

(This space for State use only)

RECEIVED  
AUG 11 2008

Wins No.: 95120

NBU 1021-2L

## Well Operations Summary Long

Operator KERR-MCGEE OIL & GAS ONSHORE LP		FIELD NAME NATURAL BUTTES	SPUD DATE 05/20/2008	GL 5,055	KB 5069	ROUTE
API 4304738843	STATE UTAH		COUNTY UINTAH		DIVISION ROCKIES	
Long/Lat.: 39.97530 / 109.52686		Q-Q/Sect/Town/Range:	NWSW / 2 / 10S / 21E		Footages:	1,849.00' FSL 520.00' FWL

## Wellbore: NBU 1021-2L

MTD 9,480	TVD 9,476	PBMD	PBTVD
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EVENT INFORMATION:    EVENT ACTIVITY: DRILLING    START DATE: 5/20/2008  
                                  OBJECTIVE: DEVELOPMENT    END DATE: 6/30/2008  
                                  OBJECTIVE 2: ORIGINAL    DATE WELL STARTED PROD.:  
                                  REASON: MV    Event End Status: COMPLETE

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PETE MARTIN DRILLING / UI	05/02/2008	05/20/2008	05/20/2008	05/20/2008	05/20/2008	05/20/2008	05/20/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation	
5/20/2008	<u>SUPERVISOR:</u> LEW WELDON 11:00 - 16:00	5.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1100 HR 5/20/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 12 BLM AND STATE NOTFIED OF SPUD	MD: 54
5/23/2008	<u>SUPERVISOR:</u> LEW WELDON 15:00 - 0:00	9.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1500 HR 5/23/08 DA AT REPORT TIME 680'	MD: 680
5/24/2008	<u>SUPERVISOR:</u> LEW WELDON 0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 930'	MD: 1,440
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1440'	
5/25/2008	<u>SUPERVISOR:</u> LEW WELDON 0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT TRONA WATER @ 1500' CIRCULATING WITH SKID PUMP 1830'	MD: 1,980
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 1980'	
5/26/2008	<u>SUPERVISOR:</u> LEW WELDON 0:00 - 6:00	6.00	DRLSUR	02		P	RIG T/D @ 2250' T/D CONDITION HOLE 1HR	MD: 2,250
	6:00 - 9:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE	
	9:00 - 12:00	3.00	DRLSUR	11		P	RUN 2207' OF 9 5/8 CSG AND RIG DOWN AIR RIG	

	12:00 - 13:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 300 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS TO PIT + - 100 PSI LIFT
	13:00 - 13:30	0.50	DRLSUR	15		P	1ST TOP JOB 150 SKS DOWN BS WOC
	13:30 - 15:30	2.00	DRLSUR	15		P	2ND TOP JOB 150 SKS DOWN BS WOC
	15:30 - 17:30	2.00	DRLSUR	15		P	3RD TOP JOB 150 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	17:30 - 17:30	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/4 FULL WORT
6/20/2008	SUPERVISOR: BRUCE TAYLOR						MD: 2,250
	14:00 - 22:00	8.00	MIRU	01	E	P	RIG DOWN ENSIGN #12
	22:00 - 0:00	2.00	MIRU	12	D	P	WAIT ON DAYLIGHT WIHLE RIGGING DOWN ADN PREPARING TO MOVE.
6/21/2008	SUPERVISOR: BRUCE TAYLOR						MD: 2,250
	0:00 - 7:00	7.00	RDMO	12	D	P	WAIT ON DAYLIGHT, RIG DOWN AND PREPARE TO MOVE.
	7:00 - 15:00	8.00	MIRU	01	A	P	MOVE RIG WITH JONES TRUCKING.
	15:00 - 0:00	9.00	MIRU	01	B	P	RIG UP ROTARY TOOLS.
6/22/2008	SUPERVISOR: BRUCE TAYLOR						MD: 2,363
	0:00 - 7:00	7.00	MIRU	01	B	P	RIG UP ROTARY TOOLS.
	7:00 - 10:30	3.50	PRPSPD	13	A	P	NU BOP'S
	10:30 - 15:00	4.50	PRPSPD	13	C	P	TEST PIPE RAMS, BLIND RAMS, FLOOR VALVES, CHOKE AND ALL RELATED VALVES TO 250 AND 5000 PSI. TEST HYDRIL TO 250 AND 2500 PSI. TEST CASING TO 1500 PSI FOR 30 MINUTES.
	15:00 - 15:30	0.50	PRPSPD	06	C	P	INSTALL WEAR BUSHING.
	15:30 - 20:00	4.50	PRPSPD	05	A	P	HELD SAFETY MEETING WITH FRANKS, RU SAME. PU BHA AND DP TO 2200'. RD FRANKS.
	20:00 - 21:00	1.00	PRPSPD	05	A	P	INSTALL ROTATING HEAD INSERT.
	21:00 - 22:30	1.50	PRPSPD	02	F	P	DRILL SHOE TRACK.

Wins No.: 95120		NBU 1021-2L						API No.: 4304738843	
	22:30 - 23:30	1.00	DRLPRO	02	B	P	DRILL 2250'-2363' (113') 113'/HR. 12/14K WOB, 110 BIT RPM, 8.3/28		
	23:30 - 0:00	0.50	DRLPRO	09	A	P	SURVEY @ 22283' - 1.29 DEG.		
6/23/2008	SUPERVISOR: BRUCE TAYLOR						MD: 4,406		
	0:00 - 3:00	3.00	DRLPRO	02	B	P	DRILL 2363'-2677' (314') 104.6'/HR. 12/14K WOB, 110 BIT RPM, 8.5/33		
	3:00 - 3:30	0.50	DRLPRO	06	A	P	SERIVCE RIG, FUNCTION PIPE RAMS.		
	3:30 - 11:30	8.00	DRLPRO	02	B	P	DRILL 2677'-3367' (690') 86.2'/HR. 14/16K WOB, 110 BIT RPM, 8.9/33		
	11:30 - 12:00	0.50	DRLPRO	06	A	P	RIG SERVICE, FUNCTION PIPE RAMS.		
	12:00 - 22:30	10.50	DRLPRO	02	B	P	DRILL 3367'-4311' (944') 89.9'/HR. 16K WOB, 110 BIT RPM, 9.0/40		
	22:30 - 23:00	0.50	DRLPRO	09	A	P	SURVEY @ 4231' - 1.41 DEG.		
	23:00 - 0:00	1.00	DRLPRO	02	B	P	DRILL 4311'-4406' (95') 95'/HR. 16K WOB, 110 BIT RPM 9.0/40		
6/24/2008	SUPERVISOR: BRUCE TAYLOR						MD: 6,055		
	0:00 - 1:00	1.00	DRLPRO	02	B	P	DRILL 4406'-4527' (121')		
	1:00 - 1:30	0.50	DRLPRO	06	A	P	SERVICE RIG, FUNCTION TEST COM.		
	1:30 - 15:30	14.00	DRLPRO	02	B	P	DRILL 4527'-5628' (1101') 78.6'/HR. 16/18K WOB, 110 BIT RPM, 9.4/44		
	15:30 - 16:00	0.50	DRLPRO	06	A	P	SERVICE RIG, FUNCTION PIPE RAMS.		
	16:00 - 0:00	8.00	DRLPRO	02	B	P	DRILL 5628'-6055' (427') 53.3'/HR. 16/18K WOB, 110 BIT RPM, 9.6/45		
6/25/2008	SUPERVISOR: BRUCE TAYLOR						MD: 7,012		
	0:00 - 2:30	2.50	DRLPRO	02	B	P	DRILL 6055'-6227' (172') 68.8'/HR. 18K WOB, 110 BIT RPM, 9.7/45		
	2:30 - 3:00	0.50	DRLPRO	09	A	P	SURVEY @ 6140' - 2.0 DEG.		
	3:00 - 13:30	10.50	DRLPRO	02	B	P	DRILL 6227'-6636' (409') 38.9'/H. 18/20K WOB, 110 BIT RPM, 10.0/44		

	13:30 - 14:00	0.50	DRLPRO	06	A	P	SERVICE RIG, FUNCTION COM, HCR.
	14:00 - 0:00	10.00	DRLPRO	02	B	P	DRILL 6636'-7012' (376') 37.6'/HR. 20/22K WOB, 110 BIT RPM, 10.2/45
6/26/2008	SUPERVISOR: BRUCE TAYLOR						MD: 7,506
	0:00 - 8:00	8.00	DRLPRO	02	B	P	DRILL 7012'-7327' (315') 39.3'/HR. 22K WOB, 110 BIT RPM, 10.2/45
	8:00 - 8:30	0.50	DRLPRO	04	C	P	CIRCULATE BU, BUILD AND PUMP SLUG, DROP TOTCO SURVEY.
	8:30 - 11:30	3.00	DRLPRO	05	A	P	POOH FOR BIT DUE TO SLOW P-RATE. WORK THROUGH TIGHT SPOTS @ 5634', 3414' THROUGH 2874'.
	11:30 - 13:00	1.50	DRLPRO	06	D	P	SLIP AND CUT DRILL LINE. REMOVE ANTENNA FROM CROWN WITH BHI.
	13:00 - 13:30	0.50	DRLPRO	06	A	P	SERVICE RIG,
	13:30 - 14:30	1.00	DRLPRO	05	A	P	FINISH OUT OF HOLE.
	14:30 - 19:30	5.00	DRLPRO	05	A	P	MAKE UP NEW Q506 PDC AND TIH WITH SAME.
	19:30 - 20:30	1.00	DRLPRO	04	D	X	LOST 127 BBLs ON TRIP, CIRCULATE AND RAISE LCM CONCENTRATION TO 5% WITH CEDAR FIBER AND NATURE SEAL. REGAIN FULL RETURNS.
	20:30 - 0:00	3.50	DRLPRO	02	B	P	DRILL 7327'-7506' (179') 51.1'/HR. 18K WOB, 110 BIT RPM, 10.3/45
6/27/2008	SUPERVISOR: BRUCE TAYLOR						MD: 8,674
	0:00 - 16:00	16.00	DRLPRO	02	B	P	DRILL 7506'-8337' (831') 51.9'/HR. 18K WOB, 105 BIT RPM, 11.3/45
	16:00 - 16:30	0.50	DRLPRO	06	A	P	SERVICE RIG.
	16:30 - 0:00	7.50	DRLPRO	02	B	P	DRILL 8337'-8674' (337') 44.9'/HR. 18K WOB, 105 BIT RPM, 11.5/45, 8%LCM
6/28/2008	SUPERVISOR: BRUCE TAYLOR						MD: 9,151
	0:00 - 8:00	8.00	DRLPRO	02	B	P	DRILL 8674'-8924' (250') 31.2'/HR. 20/22K WOB, 105 BIT RPM, 11.6/45, P-RATE DOWN TO 8'/HR.
	8:00 - 9:00	1.00	DRLPRO	04	C	P	CIRCULATE BOTTOMS UP, MIX AND PUMP SLUG, DROP TOTCO SURVEY TOOL.
	9:00 - 13:00	4.00	DRLPRO	05	A	P	POOH FOR BIT #3



Wins No.: 95120		NBU 1021-2L						API No.: 4304738843
	9:00 - 13:00	4.00	DRLPRO	05	A	P	POOH FOR BIT #3	
	13:00 - 18:30	5.50	DRLPRO	05	A	P	MAKE UP NEW Q506 AND TIH WITH SAME.	
	18:30 - 0:00	5.50	DRLPRO	02	B	P	DRILL 8924'- 9151' (227') 41.2'/HR. 18K WOB, 105 BIT RPM, 11.8/45 BU GAS 6500 UNITS, 30' FLARE, LOST 68 BBLS ON TRIP.	
6/29/2008	SUPERVISOR: BRUCE TAYLOR							MD: 9,480
	0:00 - 8:00	8.00	DRLPRO	02	B	P	DRILL 9151'-9480' (329') 41.1'/HR. 18K WOB, 105 BIT RPM. 11.9/45	
	8:00 - 9:00	1.00	DRLPRO	04	C	P	CIRCULATE BOTTOM UP. MIX AND PUMP SLUG	
	9:00 - 10:30	1.50	DRLPRO	05	E	P	SHORT TRIP 20 STANDS.	
	10:30 - 14:30	4.00	DRLPRO	04	C	P	CIRCULATE BOTTOMS UP, GAS 5000+ SATURATED, 30 BBL GAIN 30-35' FLARE. RAISE MW TO 12.1 PPG.	
	14:30 - 22:30	8.00	DRLPRO	05	B	P	HELD SAFETY MEETING WITH WEATHERFORD. RU AND POOH LDDS, BREAK KELLY, LD BHA.	
	22:30 - 23:00	0.50	DRLPRO	05	B	P	PULL WEAR BUSHING.	
	23:00 - 0:00	1.00	EVALPR	08	A	P	HELD SAFETY MEETING, RU HALLIBURTON AND START IN HOLE WITH QUAD COMBO.	
6/30/2008	SUPERVISOR: BRUCE TAYLOR							MD: 9,480
	0:00 - 6:00	6.00	EVALPR	08	A	P	LOG WITH QUAD COMBO FROM 9480' TO CSG. SHOE, RUN GR TO SURFACE.	
	6:00 - 7:00	1.00	CSG	11	A	P	HELD SAFETY MEETING WITH WEATHERFORD, RU SAME.	
	7:00 - 14:00	7.00	CSG	11	B	P	RUN CSG. AS FOLLOWS: FLOAT SHOE, 1 JT. CSG. FLOAT COLLAR, 116 JTS. CSG. 1 MARKER JTS. SET AT 4570.13', 108 JTS. 4 1/2" 11.6 PPF I-80 CSG. OVER ALL LENGTH 9473' SET AT 9473'. CENTRALIZED WITH 15 BOW SPRINGS, 1 ON FIRST 3 JTS. THEN EVERY 3RD JT. SPACE OUT, INSTALL HANGER JOINT AND PLUG RETAINER.	
	14:00 - 16:00	2.00	CSG	04	E	P	CIRCULATE BOTTOMS UP WITH RIG PUMPS. RD CASING CREW. HELD SAFETY MEETING WITH HALLIBURTON.	
	16:00 - 19:00	3.00	CSG	15	A	P	SWITCH TO HOWCO, TEST LINES TO 5000 PSI AND CEMENT 4 1/2" AS FOLLOWS: 20 BBLS MUD FLUSH @ 8.3 PPG, 20 SKS PL2 SCAVENGER MIXED @ 9.5 PPG, LEAD W/ 550 SKS PL2 MIXED @ 11.9 PPG, TAIL W/ 1040 SKS 50:50 POZ MIXED @ 14.3 PPG, WASH LINES, DROP PLUG & DISPLACE W/ 146 BBLS WATER W/ CLAYSTAY & MAGNACIDE TO BUMP PLUG W/ 3300 PSI. RELEASE PSI AND FLOATS HELD. NO CEMENT TO SURFACE	

<b>Wins No.: 95120</b>		<b>NBU 1021-2L</b>				<b>API No.: 4304738843</b>	
	19:00 - 19:30	0.50	CSG	11	C	P	WASH STACK AND HANG CASING WITH 60K, TEST HANGER TO 5000 PSI, TEST OK,
	19:30 - 19:30	0.00	CSG	13	A	P	ND BOP'S, CLEAN TANKS, RELEASE RIG AT 23:59 PM 6/30/08.
<b>EVENT INFORMATION:</b>		EVENT ACTIVITY: COMPLETION				START DATE: 7/8/2008	
		OBJECTIVE: CONSTRUCTION				END DATE: 7/10/2008	
		OBJECTIVE 2: ORIGINAL				DATE WELL STARTED PROD.:	
		REASON: SURF FACILITIES				Event End Status: COMPLETE	
<b>RIG OPERATIONS:</b>		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release      Rig Off Location
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
7/8/2008	<u>SUPERVISOR:</u> HAL BLANCHARD						<u>MD:</u>

Wins No.: 95120		NBU 1021-2L				API No.: 4304738843	
EVENT INFORMATION:		EVENT ACTIVITY: COMPLETION				START DATE: 7/23/2008	
		OBJECTIVE: DEVELOPMENT				END DATE:	
		OBJECTIVE 2: ORIGINAL				DATE WELL STARTED PROD.:	
		REASON: MV				Event End Status:	
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release
KEY 243 / 243		Rig Off Location					
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
7/24/2008	SUPERVISOR: KEN WARREN						MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM, P/T CSG
	7:15 - 17:30	10.25	COMP	47	B	P	R/D ROAD RIG FROM NBU 1021-2M TO NBU 1021-2L, MIRU SPOT EQUIP, N/D WELL HEAD, N/U BOPE, P/U 3-7/8 MILL, TALLEY & P/U
7/25/2008	SUPERVISOR: KEN WARREN						MD:
	7:00 - 15:00	8.00		36	E	P	STNDBY
7/28/2008	SUPERVISOR: KEN WARREN						MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM, P/U PERF GUNS
	7:15 - 18:00	10.75	COMP	36	E	P	MIRU WEATHERFORD FRAC & CUTTERS WIRE LINE. STG #1] P/U RIH W/ 3-3/8, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH, PERF MESAVERDE, 9388'-9390' 8 HOLES, 9332'-9334' 8 HOLES, 9318'-9320' 8 HOLES, 9306'-9308' 8 HOLES, 9262'-9264' 8 HOLES [40 HOLES] P/T SURFACE LINES TO 8500#.  WHP=2000#, BRK DN PERFS @ 3031#, INJ PSI=4900#, INJT RT=50.5, ISIP=2610#, FG=.72, PUMP'D 2483 BBLS SLK WTR W/ 82402# 30/50 MESH W/ 5515# RESIN COAT IN TAIL. ISIP=2988#, FG=.76, AR=51.3, AP=5294#, MR=51.7, MP=6567#, NPI=378#, 35/40 CALC PERFS OPEN 88%.  STG #2] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 9184', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH, 9152'-9154' 8 HOLES, 9086'-9090' 16 HOLES, 8954'-8958' 16 HOLES, [40 HOLES]  WHP=2750#, INJT PSI=5400#, INJT RT=51.8, ISIP=3029#, FG=.78, PUMP'D 2594.3 BBLS SLK WTR W/ 95980# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=3332#, FG=.81, AR=51.8, AP=5439#, MR=52.3, MP=6426#, NPI=303#, 34/40 CALC PERFS OPEN 84%.  STG #3] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8872' PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH, 8840'-8842' 8 HOLES, 8802'-8804' 8 HOLES, 8778'-8780' 8 HOLES, 8746'-8748 8 HOLES, 8686'-8688' 8 HOLES [40 HOLES]  WHP=0#, BRK DN PERFS @ 4771#, INJT PSI=4450#, INJT RT=51.6, ISIP=2742#, FG=.76, PUMP'D 4963 BBLS SLK WTR W/ 183404# 30/50 MESH W/ 5500# RESIN COAT IN TAIL. ISIP=2863#, FG=.77, AR=51.8, AP=4556#, MR=52.2, MP=7156#, NPI=121#, 40/40 CALC PERFS OPEN 100%.  STG #4] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 8592', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SFP, 90° PH, 8560'-8562' 8 HOLES, 8524'-8526' 8 HOLES, 8472'-8474' 8 HOLES, 8430'-8432' 8 HOLES, 8388'-8390' 8 HOLES, [40 HOLES]  WHP=1650#, INJ PSI=4150#, INJT RT=51, ISIP=2582#, FG=.75, PUMP'D 4011.6 BBLS SLK WTR W/ 148549# 30/50 MESH W/ 5500# RESIN COAT IN TAIL. ISIP=2794#, FG=.77, AR=51, AP=4273#, MR=52, MP=5607#, NPI=212#, 40/40 CALC PERFS OPEN 100%.  P/U & RIH W/ BKR 8K CBP & SET @ 8338'. R/D CUTTERS & WEATHERFORD FRAC EQUIP, SWIFN.
7/29/2008	SUPERVISOR: KEN WARREN						MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM, MAKING CONNECTIONS

Wins No.: 95120		NBU 1021-2L				API No.: 4304738843	
7:15	- 7:15	0.00	COMP	44	C	P	<p>OPEN WELL, 0# CSG, N/D FRAC VALVES, N/U BOPE, R/U TBG EQUIP. P/U 3-7/8 BIT W/ POBS PKG, RIH W/ 2-3/8 L-80 TBG, TAG KILL PLUG, P/U PWR SWVL, BRK CIRC W/ RIG PUMP.</p> <p>PLUG #1] DRL THROUGH BKR 8K CBP @ 8338' IN 10 MIN. 1200# INCREASE.</p> <p>PLUG #2] CONTINUE TO RIH, TAG SAND @ 8562' [30' FILL] C/O &amp; DRL THROUGH BKR 8K CBP @ 8592' IN 10 MIN. 300# INCREASE.</p> <p>PLUG #3] CONTINUE TO RIH, TAG SAND @ 8842' [30' FILL] C/O &amp; DRL THROUGH BKR 8K CBP @ 8872' IN 12 MIN. 400# INCREASE.</p> <p>PLUG #4] CONTINUE TO RIH, TAG SAND @ 9154' [30' FILL] C/O &amp; DRL THROUGH BKR 8K CBP @ 9184' IN 10 MIN. 400# INCREASE.</p> <p>CONTINUE TO RIH &amp; C/O TO PBTD @ 9427', CIRC HOLE, R/D PWR SWVL, L/D 16 JNTS ON FLOAT, P/U HANGER &amp; LAND TBG W/ 281 JNTS 2-3/8 L-80 TBG. [EOT @ 9825.21'] DROP BALL, R/D TBG EQUIP, N/D BOPE, N/U WELL HEAD, PUMP OFF BIT W/ 1/2 BBL @ 2200#, TURN OVER TO F/B CREW.</p>
7/29/2008	<u>SUPERVISOR:</u> KEN WARREN	7:00	-	35	G		<p>MD:</p> <p>7 AM FLBK REPORT: CP 1900#, TP 1800#, 16/64" CK, 41 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 2260 BBLS LEFT TO RECOVER: 11792</p>
7/30/2008	<u>SUPERVISOR:</u> KEN WARREN	7:00	-	33	A		<p>MD:</p> <p>7 AM FLBK REPORT: CP 1900#, TP 1800#, 16/64" CK, 41 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 2260 BBLS LEFT TO RECOVER: 11792</p>
7/31/2008	<u>SUPERVISOR:</u> KEN WARREN	7:00	-	33	A		<p>MD:</p> <p>7 AM FLBK REPORT: CP 1700#, TP 1700#, 18/64" CK, 43 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3249 BBLS LEFT TO RECOVER: 10803</p>
8/1/2008	<u>SUPERVISOR:</u> KEN WARREN	7:00	-	33	A		<p>MD:</p> <p>7 AM FLBK REPORT: CP 2500#, TP 1700#, 18/64" CK, 49 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 4407 BBLS LEFT TO RECOVER: 9645</p>
8/2/2008	<u>SUPERVISOR:</u> KEN WARREN	7:00	-	33	A		<p>MD:</p> <p>7 AM FLBK REPORT: CP 3500#, TP 1800#, 18/64" CK, 43 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 5523 BBLS LEFT TO RECOVER: 8529</p>
8/3/2008	<u>SUPERVISOR:</u> KEN WARREN	7:00	-	33	A		<p>MD:</p> <p>7 AM FLBK REPORT: CP 3600#, TP 1900#, 18/64" CK, 43 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 6555 BBLS LEFT TO RECOVER: 7497</p>

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8  
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER:  
ML-22652

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER

b. TYPE OF WORK: NEW WELL ☒ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

2. NAME OF OPERATOR:  
KERR McGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:  
1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:  
(435) 781-7024

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 1849'FSL, 520'FWL

AT TOP PRODUCING INTERVAL REPORTED BELOW:

AT TOTAL DEPTH:

7. UNIT or CA AGREEMENT NAME  
UNIT #891008900A

8. WELL NAME and NUMBER:  
NBU 1021-2L

9. API NUMBER:  
4304738843

10. FIELD AND POOL, OR WILDCAT  
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE,  
MERIDIAN:  
NWSW 2 10S 21E

12. COUNTY  
UINTAH

13. STATE  
UTAH

14. DATE SPUDDED:  
5/20/2008

15. DATE T.D. REACHED:  
6/29/2008

16. DATE COMPLETED:  
8/1/2008

ABANDONED ☐ READY TO PRODUCE ☒

17. ELEVATIONS (DF, RKB, RT, GL):  
5055'GL

18. TOTAL DEPTH: MD 9,480  
TVD

19. PLUG BACK T.D.: MD 9,427  
TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? \*

21. DEPTH BRIDGE MD  
PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

✓ CBL-CCL-GR, ARRAY COMP TRUE RESIST/SD/NEW  
BHCN

23. WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)  
WAS DST RUN? NO ☒ YES ☐ (Submit report)  
DIRECTIONAL SURVEY? NO ☒ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,250		750			
7 7/8"	4 1/2 I-80	11.6#		9,480		1590			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	9,825							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) MESAVERDE	9,825	9,390			9,825 9,390	0.36	160	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
9825'-9390'	PMP 14,052 BBLs SLICK H2O & 510,336# 30/50 OTTOWA SD

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AUG 20 2008

DIV. OF OIL, GAS & MINING

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY  
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS:

PROD

## 31. INITIAL PRODUCTION

## INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 8/1/2008	TEST DATE: 8/5/2008	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 1,219	WATER – BBL: 1,105	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 1,510	CSG. PRESS. 2,983	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

## INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## 32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

## 33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,347				
MAHOGANY	2,093				
WASATCH	5,194	7,337			
MESAVERDE	7,349	9,392			

## 35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 8/19/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1021-2L
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1849' FSL, 520' FWL		9. API NUMBER: 4304738843
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION.  
THE OPERATOR PROPOSES TO COMPLETE THE WASATCH AND THE EXISTING MESAVERDE FORMATION.  
THE OPERATOR WILL COMMINGLE THE NEWLY WASATCH AND MESAVERDE INTERVALS ALONG WITH  
THE EXISTING MESAVERDE FORMATIONS.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR

Date: 11.26.2008

Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

*Sheila Upchego*

DATE 11/10/2008

(This space for State use only)

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 11/24/08

BY: [Signature]

(See Instructions on Reverse Side)

\* Cause 173-14

(5/2000)

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NOV 12 2008

DIV. OF OIL, GAS & MINING

**Name:** NBU 1021-2L  
**Location:** NW SW Sec 2 T10S R21E  
**Uintah County, UT**  
**Date:** **10/28/2008**

**ELEVATIONS:** 5055 GL 5069 KB

**TOTAL DEPTH:** 9473 **PBTD:** 9427  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 2222'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 9471'  
 Marker Joint **4570-4584'**

**TUBULAR PROPERTIES:**

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

**TOPS:**

1347' Green River  
 2093' Mahogany  
 4572' Wasatch  
 7349' Mesaverde  
 Estimated T.O.C. from CBL @1000

**GENERAL:**

- A minimum of **30** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 06/30/2008
- 7 fracturing stages required for coverage.
- Procedure calls for 7 CBP's (**8000** psi) and 1 Flow Through Plug
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). **DO NOT OVERDISPLACE.** Stage acid and scale inhibitor if necessary to cover the next perforated interval.



- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~8924
- Originally completed on 7/28/2008

#### **Existing Perforations:**

MESAVERDE 8388	8390	4	8
MESAVERDE 8430	8432	4	8
MESAVERDE 8472	8474	4	8
MESAVERDE 8524	8526	4	8
MESAVERDE 8560	8562	4	8
MESAVERDE 8686	8688	4	8
MESAVERDE 8746	8748	4	8
MESAVERDE 8778	8780	4	8
MESAVERDE 8802	8804	4	8
MESAVERDE 8840	8842	4	8
MESAVERDE 8954	8958	4	16
MESAVERDE 9086	9090	4	16
MESAVERDE 9152	9154	4	8
MESAVERDE 9262	9264	4	8
MESAVERDE 9306	9308	4	8
MESAVERDE 9318	9320	4	8
MESAVERDE 9332	9334	4	8
MESAVERDE 9388	9390	4	8

#### **PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8924'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 8106 (50' below proposed CBP). Otherwise P/U a mill and C/O to 8106 (50' below proposed CBP).
4. Set 8000 psi Flow Through Plug at ~ 8308'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	8160	8162	4	8
MESAVERDE	8250	8254	4	16
MESAVERDE	8274	8278	4	16
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Fracture as outlined in Stage 1 on attached listing. Under-displace to ~8110' and trickle 250gal 15%HCL w/ scale inhibitor in flush .

7. Set 8000 psi CBP at ~8066'. Perf the following 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	7974	7976	4	8
MESAVERDE	8028	8036	4	32

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~7930' and trickle 250gal 15%HCL w/ scale inhibitor in flush.  
NOTE TIGHT SPACING

9. Set 8000 psi CBP at ~7920'. Perf the following 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	7700	7702	4	8
MESAVERDE	7750	7752	4	8
MESAVERDE	7798	7800	4	8
MESAVERDE	7848	7850	4	8
MESAVERDE	7888	7890	4	8

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~7650' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

11. Set 8000 psi CBP at ~7612'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	7398	7403	4	20
MESAVERDE	7577	7582	4	20

12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~7348' trickle 250gal 15%HCL w/ scale inhibitor in flush.

13. Set 8000 psi CBP at ~6300'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	6030	6032	4	8
WASATCH	6262	6270	4	32

14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5980' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

15. Set 8000 psi CBP at ~5697'. . Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5542	5546	3	12
WASATCH	5621	5624	3	9
WASATCH	5660	5667	3	21

16. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 6 on attached listing. Under-displace to ~5492' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

17. Set 8000 psi CBP at ~5277'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5196	5201	4	20
WASATCH	5242	5247	4	20

18. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 7 on attached listing. Under-displace to ~5146' and flush only with recycled water.
19. Set 8000 psi CBP at ~5146'.
20. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
21. Mill plugs (DO NOT DRILL Flow Through PLUG @ 8308') and clean out to 8308. Land tubing at ±7944' and open sleeve unless indicated otherwise by the well's behavior. This well will NOT be commingled at this time.
22. RDMO
23. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.
24. MIRU
25. Mill isolation plug and commingle well. Land tubing at ~8924'
26. RDMO

**For design questions, please call**  
**Curtis Caile, Denver, CO**  
**(406)-490-2742 (Cell)**  
**(720)-929-6194 (Office)**

**For field implementation questions, please call**  
**Robert Miller, Vernal, UT**  
**4350781 7041 (Office)**

**NOTES:**

This well was originally designed by Victor for 8 stages but had to be cut to five for the 30 tank limit. This recomplete is the last 3 stages of Victor's design and 3 Wasatch stages.

Fluid per stage was reduced greatly to meet 30 tank limit.

Fracturing Schedules  
NBU 1021-2L  
Slickwater Frac

[illegible]

NBU 1021-2L  
Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	8160	8162	4	8	8157	to	8162.5
	MESAVERDE	8250	8254	4	16	8181.5	to	8182.5
	MESAVERDE	8274	8278	4	16	8184	to	8184
	MESAVERDE		No perfs			8250.5	to	8273.5
	MESAVERDE		No perfs			8274.5	to	8279.5
	MESAVERDE		No perfs			8295	to	8295.5
	MESAVERDE		No perfs			8309.5	to	8311
	MESAVERDE		No perfs			8325	to	8345
	# of Perfs/stage				40	CBP DEPTH	8,066	
2	MESAVERDE	7974	7976	4	8	7966.5	to	7978.5
	MESAVERDE	8028	8036	4	32	7984	to	7984
	MESAVERDE		No perfs			7988	to	7988.5
	MESAVERDE		No perfs			7991	to	7992.5
	MESAVERDE		No perfs			8016.5	to	8048.5
	MESAVERDE		No perfs			8053.5	to	8054
	MESAVERDE		No perfs			8081.5	to	8083
	MESAVERDE		No perfs			8086	to	8089.5
	MESAVERDE		No perfs			8094.5	to	8098.5
	# of Perfs/stage				40	CBP DEPTH	7,920	
3	MESAVERDE	7700	7702	4	8	7686.5	to	7695
	MESAVERDE	7750	7752	4	8	7697	to	7698
	MESAVERDE	7798	7800	4	8	7699	to	7708.5
	MESAVERDE	7848	7850	4	8	7718	to	7719
	MESAVERDE	7888	7890	4	8	7720	to	7720.5
	MESAVERDE		No perfs			7723.5	to	7723.5
	MESAVERDE		No perfs			7728	to	7731
	MESAVERDE		No perfs			7749.5	to	7756
	MESAVERDE		No perfs			7760	to	7760
	MESAVERDE		No perfs			7772.5	to	7774
	MESAVERDE		No perfs			7797.5	to	7800.5
	MESAVERDE		No perfs			7801.5	to	7801.5
	MESAVERDE		No perfs			7839	to	7843.5
	MESAVERDE		No perfs			7845	to	7852.5
	MESAVERDE		No perfs			7856	to	7857
	MESAVERDE		No perfs			7882	to	7882.5
	MESAVERDE		No perfs			7883.5	to	7902.5
	# of Perfs/stage				40	CBP DEPTH	7,612	
4	MESAVERDE	7398	7403	4	20	7349	to	7352
	MESAVERDE	7577	7582	4	20	7357	to	7364.5
	MESAVERDE		No perfs			7390.5	to	7402.5
	MESAVERDE		No perfs			7407	to	7407.5
	MESAVERDE		No perfs			7409.5	to	7414
	MESAVERDE		No perfs			7414	to	7414
	MESAVERDE		No perfs			7456	to	7457.5
	MESAVERDE		No perfs			7460	to	7460.5
	MESAVERDE		No perfs			7465.5	to	7465.5
	MESAVERDE		No perfs			7472	to	7473
	MESAVERDE		No perfs			7490.5	to	7490.5
	MESAVERDE		No perfs			7573.5	to	7588.5
	# of Perfs/stage				40	CBP DEPTH	6,300	
5	WASATCH	6030	6032	4	8	6028	to	6033.5
	WASATCH	6262	6270	4	32	6049	to	6049
	WASATCH		No perfs			6091	to	6092
	WASATCH		No perfs			6261	to	6270.5
	# of Perfs/stage				40	CBP DEPTH	5,697	
6	WASATCH	5542	5546	3	12	5499.5	to	5502
	WASATCH	5621	5624	3	9	5538.5	to	5555.5
	WASATCH	5660	5667	3	21	5580.5	to	5580.5
	WASATCH		No perfs			5613.5	to	5614
	WASATCH		No perfs			5617	to	5627.5
	WASATCH		No perfs			5656.5	to	5658
	WASATCH		No perfs			5659	to	5669
	# of Perfs/stage				42	CBP DEPTH	5,277	
7	WASATCH	5196	5201	4	20	5194.5	to	5220.5
	WASATCH	5242	5247	4	20	5239.5	to	5250.5
	# of Perfs/stage				40	CBP DEPTH	5,146	
Totals					282			



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: NBU 1021-2L
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1849'FSL, 520'FWL COUNTY: UINTAH		9. API NUMBER: 4304738843
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

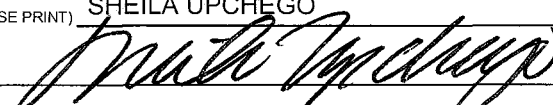
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS PERFORMED THE RECOMPLETION ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS COMPLETED THE NEWLY WASATCH AND MESAVERDE FORMATIONS, AND HAS COMMINGLED WITH THE EXISITING MESAVERDE FORMATIONS. THE OPERATOR HAS PLACED THE SUBJECT WELL ON PRODUCTION ON 01/22/2009 AT 11:00 AM.

PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 2/5/2009

(This space for State use only)

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FEB 09 2009

DIV. OF OIL, GAS & MINING

# ROCKIES

## Operation Summary Report

Well: NBU 1021-2L	Spud Conductor: 5/20/2008	Spud Date: 5/23/2008
Project: UTAH	Site: UINTAH	Rig Name No: GWS 1/1
Event: RECOMPLETION	Start Date: 1/5/2009	End Date: 1/15/2009
Active Datum: RKB @5,069.00ft (above Mean Sea Level)	UWI: 0/10/S/21/E/2/0/NWSW/6/PM/S/1,849.00/W/0/520.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
1/12/2009	7:00 - 7:30	0.50	COMP	48		P		HSM
	7:30 - 16:00	8.50	COMP	31	I	P		ROAD RIG F/ NBU 1021-2L. MIRU RIG SPOT EQUIP. WELL PSI 230#. OPEN WELL T/ PROD TANK BLOW WELL DOWN. RIG PUMP T/ TBG. PUMP 30 BBLS 2% KCL T/ CONT WELL. ND WH, NUBOP. RIG PUMP T/ CSG. PUMP 45 BBLS 2% KCL. T/ CONT WELL. UNLAND TBG. LD 4 1/16 TBG HNGR. ( 4 1/16 HNGR WAS GAULDED ) POOH STD 244 JTS, 2 3/8, J-55 & LD 37 JTS, 2 3/8 J-55 TBG FOR DRL OUT. LD BHA. ( POBS ) SWI. PUT WELL DOWN SALES LINE FOR NITE. SDFN.
1/13/2009	7:00 - 7:30	0.50	COMP	48		P		HSM.
	7:30 - 18:00	10.50	COMP	36	B	P		OPEN WELL 280#. BLOW WELL T/ PROD TANK. RIG PUMP T/ CSG VALVE. PUMP 20 BBLS 2%. T/ CONTOL WELL. ND BOP. NU FRAC VALVES. MIRU CUTTERS W.L. & B&C QUICK TEST. PU 4 1/2, 8K FRAC PLUG. RIH SET @ 8296'. POOH. RIG PUMP T/ CSG VALVE. FILL CSG W/ 85 BBLS 2%, PSI T/ 2500# W/ RIG PUMP. CONT PSI T/ 6200# W/ B&C QUICK TEST. GOOD TEST. BLEED OFF PSI T/ PIT. RDMO B&C QUICK TEST. STG 1)PU 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH PERF F/ 8160'-62', 4 SPF, 8 HOLES. 8250'-54', 4 SPF, 16 HOLES. 8274'-78', 4 SPF, 16 HOLES. POOH. X-OVER FOR FRAC CREW. PSI TEST WEATHERFORDS PUMP LINE T/ 7200# GOOD TEST. OPEN WELL 450#. BEG PUMP, BRK @ 3764# @ 2.8 BPM. SD ISIP 2659#, FG .76. BEG FRAC PUMP 116,238#, 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 3179#, FG .82. X-OVER FOR W.L.  STG 2)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 8056', P/U PERF F/ 8028'-36', 4 SPF, 32 HOLES. 7974'-76', 4 SPF, 8 HOLES. POOH. X-OVER FOR FRAC CREW. OPEN WELL 0#. BEG PUMP, BRK @ 5704# @ 2.7 BPM. SD ISIP 2468#, FG .75. BEG FRAC PUMP 84,812# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2860#, FG .79. X-OVER FOR W.L..  STG 3)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 7920' P/U PERF F/ 7888'-90', 4 SPF, 8 HOLES. 7848'-50', 4 SPF, 8 HOLES. 7798'-00', 4 SPF, 8 HOLES. 7750'-52', 4 SPF, 8 HOLES. 7700'-02', 4 SPF, 8 HOLES. POOH, X-OVER FOR FRAC CREW. OPEN WELL 100#. BEG PUMP BRK @ 2706' @ 4.3 BPM. SD ISIP 2355#, FG .74. BEG FRAC PUMP 68,761# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2731#, FG .79. SWI. WINTERIZE WH. SDFN
1/14/2009	7:00 - 7:30	0.50	COMP	48		P		HSM



## ROCKIES

## Operation Summary Report

Well: NBU 1021-2L		Spud Conductor: 5/20/2008		Spud Date: 5/23/2008	
Project: UTAH		Site: UINTAH			Rig Name No: GWS 1/1
Event: RECOMPLETION		Start Date: 1/5/2009		End Date: 1/15/2009	
Active Datum: RKB @5,069.00ft (above Mean Sea Level)		UWI: 0/10/S/21/E/2/0/NWSW/6/PM/S/1,849.00/W/0/520.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
	7:30 - 18:00	10.50	COMP	36	B	P		<p>OPEN WELL 1500#.</p> <p>STG 4)PU 4 1/2, 8K BAKER CBP &amp; 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 7600', P/U PERF F/</p> <p>7577'-82', 4 SPF, 20 HOLES.</p> <p>7398'-03', 4 SPF, 20 HOLES.</p> <p>POOH, X-OVER FOR FRAC CREW. OPEN WELL 170#. BEG PUMP, BRK @ 3925# @ 2.8 BPM. SD ISIP 1838#, FG .68. BEG FRAC PUMP 79,453#, 30/50 WHITE &amp; TAIL IN W/ 5,000#, 20/40 TLC. SD ISIP 2679#, FG .79. X-OVER FOR W.L.</p> <p>STG 5)PU 4 1/2, 8K BAKER CBP &amp; 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 6290', P/U PERF F/</p> <p>6262'-70', 4 SPF, 32 HOLES.</p> <p>6030'-32', 4 SPF, 8 HOLES.</p> <p>POOH, X-OVER FOR FRAC CREW. OPEN WELL 0#. BEG PUMP, BRK @ 2123# @ 2.8 BPM. SD ISIP 1802#, FG .73. BEG FRAC, PUMP 20,062#, 30/50 WHITE &amp; TAIL IN W/ 5,000#, 20/40 TLC. SD ISIP 1968#, FG .76. X-OVER FOR W.L.</p> <p>STG 6)PU 4 1/2, 8K BAKER CBP &amp; 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 5684', P/U PERF F/</p> <p>5660'-67', 3 SPF, 21 HOLES.</p> <p>5621'-24', 3 SPF, 9 HOLES.</p> <p>5542'-46', 3 SPF, 12 HOLES.</p> <p>POOH, X-OVER FOR FRAC CREW. OPEN WELL 0#. BEG PUMP, PUMP @ 3 BPM FOR 1 BBL PSI @ 575#, BUMP RT T/ 5 BPM FOR 19 BBLS</p> <p>STABLIZE PSI @ 522#. SD, CALL CURTIS CAILE FOR DERICTIONS.</p> <p>DECIDED NOT T/ FRAC STG 6. X-OVER FOR W.L..</p> <p>STG 7)PU 4 1/2, 8K BAKER CBP &amp; 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 5264', P/U PERF F/</p> <p>5242'-47', 4 SPF, 20 HOLES.</p> <p>5196'-01', 4 SPF, 20 HOLES.</p> <p>POOH, X-OVER FOR FRAC CREW. OPEN WELL 0# BEG PUMP, BRK @ 1800# @ 1.7 BPM. SD ISIP 591#, FG .55. BEG FRAC, PUMP 118,144#, 30/50 WHITE &amp; TAIL IN W/ 10,000#, 20/40 TLC. SD ISIP 2092#, FG .84.</p> <p>( THIS STG ONLY CALLED FOR 69,504# OF SAND. WE PUMPED 128,144# SAND. COMBINED STG 6 &amp; 7 SAND FOR STG # 7. AS DIRECTED BY CURTIS CAILE. )</p> <p>X-OVER FOR W.L.. PU 4 1/2, 8K BAKER CBP. RIH SET CBP @ 5150'. POOH. RDMO CUTTERS W.L. &amp; WEATHERFORD FRAC SERV. BLEED OFF WELL. ND FRAC VALVES, NUBOP. RU RIG FLOOR &amp; TBG EQUIP. PU 3 7/8 BIT + X-DART + POBS + XN-NIPPLE. RIH W/ TBG. TAG KILL PLUG @ 5150'. P/U, RU DRL EQUIP.</p>
1/15/2009	7:00 - 7:30	0.50	COMP	48		P		HSM

## ROCKIES

## Operation Summary Report

Well: NBU 1021-2L		Spud Conductor: 5/20/2008		Spud Date: 5/23/2008	
Project: UTAH		Site: UINTAH		Rig Name No: GWS 1/1	
Event: RECOMPLETION		Start Date: 1/5/2009		End Date: 1/15/2009	
Active Datum: RKB @5,069.00ft (above Mean Sea Level)		UWI: 0/10/S/21/E/2/0/NWSW/6/PM/S/1,849.00/W/0/520.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
	7:30 - 18:00	10.50	COMP	44	C	P		OPEN WELL 0#. BRK CONV CIRC, BEG DRL OUT. CBP 1)TAG FILL @ 5145'=5' OF FILL. C/O SAND & DRL OUT CBP @ 5150' IN 10 MIN. 0 PSI INCR. CONT RIH.  CBP 2)TAG FILL @ 5244'=20' FILL. C/O SAND & DRL OUT CBP @ 5264' IN 6 MIN. LOST CIRC FOR 10 BBLS, THEN REGIANED, CONT C/O. CONT RIH.  CBP 3)TAG NO SAND ON CBP, BECAUSE DID NOT FRAC STG # 2. DRL OUT CBP @ 5684' IN 5 MIN. 400 PSI INCR. CONT RIH.  CBP 4)TAG FILL @ 6270'=20' FILL. C/O SAND & DRL OUT CBP @ 6290' IN 8 MIN. 400 PSI INCR. CONT RIH.  CBP 5)TAG FILL @ 7580'=20' FILL. C/O SAND, DRL OUT CBP @ 7600' IN 9 MIN. 800 PSI INCR. CONT RIH.  CBP 6)TAG FILL @ 7905'=15' FILL. C/O SAND, DRL OUT CBP @ 7920' IN 8 MIN. 400 PSI INCR. CONT RIH.  CBP 7)TAG FILL @ 8041'=15' FILL. C/O SAND, DRL OUT CBP @ 8056' IN 7 MIN. 300 PSI INCR. CONT RIH. TAG FILL 8284', C/O 12' FILL T/ THE TOP OF FRAC PLUG @ 8296'. CIRC WELL W/ 20 BBLS 2% KCL. P/U RD DRL EQUIP. POOH LD EXESS TBG = 28 GOOD JTS OF 2 3/8, J-55 TBG. PU 4 1/16 TBG HNGR & LAND TBG W/  KB 14.00 HNGR .83 250 JTS, 2 3/8,J-55 7921.19 XN & SLIDE OPEN BS 3.26 ----- EOT 7939.28  ND BOP, NU WH. DROP BALL. RIG PUMP T/ TBG, PUMP BIT OFF W/ 20 BBLS 2% KCL. DIDN'T SEE BIT GO. OPEN WELL T/ PIT TURN WELL OVER T/ FBC. SICP 1100 PSI. FTP 50 PSI.  250 JTS IN WELL. 28 GOOD JTS ON GROUND T/ DRL OUT FRAC PLUG @ LATER DATE. 3 BAD JTS HAULED T/ PRS. ALL JTS 2 3/8, J-55. 7 AM FLBK REPORT: CP 1125#, TP 1000#, 20/64" CK, 56 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 2740 BBLS LEFT TO RECOVER: 10967 7 AM FLBK REPORT: CP 1425#, TP 1025#, 20/64" CK, 22 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 3498 BBLS LEFT TO RECOVER: 10209
1/16/2009	7:00 -			33	A			
1/17/2009	7:00 -			33	A			

# ROCKIES

## Operation Summary Report

Well: NBU 1021-2L			Spud Conductor: 5/20/2008			Spud Date: 5/23/2008		
Project: UTAH			Site: UINTAH				Rig Name No: GWS 1/1	
Event: RECOMPLETION			Start Date: 1/5/2009				End Date: 1/15/2009	
Active Datum: RKB @5,069.00ft (above Mean Sea Level)			UWI: 0/10/S/21/E/2/0/NWSW/6/PM/S/1,849.00/W/0/520.00/0/0					
Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
1/18/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 2050#, TP 800#, 20/64" CK, 41 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 4603 BBLS LEFT TO RECOVER: 9104
1/19/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 2250#, TP 625#, 20/64" CK, 38 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 5594 BBLS LEFT TO RECOVER: 8113
1/20/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 2175#, TP 525#, 20/64" CK, 28 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 6361 BBLS LEFT TO RECOVER: 7346
1/21/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 2150#, TP 450#, 20/64" CK, 24 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 6997 BBLS LEFT TO RECOVER: 6730
1/22/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 1900#, TP 500#, 20/64" CK, 27 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 7363 BBLS LEFT TO RECOVER: 6071
1/23/2009	9:00 -		PROD					WELL TURNED TO SALES @ 0900 HR ON 1/23/2009 - FTP 450#, CP 1900#, CK 18/64", 260 MCFD, 648 BWPD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☒  
(highlight changes)

FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR <input checked="" type="checkbox"/> OTHER RECOMPLETION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		7. UNIT OR CA AGREEMENT NAME UNIT #891008900A
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		8. WELL NAME AND NUMBER: NBU 1021-2L
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1849'FSL, 520'FWL  AT TOP PRODUCING INTERVAL REPORTED BELOW:  AT TOTAL DEPTH:		9. API NUMBER: 4304738843
10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 2 10S 21E
12. COUNTY UINTAH		13. STATE UTAH
14. DATE SPURRED: 5/20/2008	15. DATE T.D. REACHED: 6/29/2008	16. DATE COMPLETED: 1/22/2009
17. ELEVATIONS (DF, RKB, RT, GL): 5055'GL		ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>
18. TOTAL DEPTH: MD 9,480 TVD	19. PLUG BACK T.D.: MD 8,284 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE MD PLUG SET: TVD		22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) N/A
23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)		

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,250		750			
7 7/8"	4 1/2 I-80	11.6#		9,480		1590			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	7,939							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) WASATCH	5,196	6,270			5,196 6,270	0.36	80	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) MESAVERDE	7,398	8,278			7,398 8,278	0.36	160	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5196'-6270'	PMP 3436 BBLS SLICK H2O & 153,206# 30/50 OTTOWA SD
7398'-8278'	PMP 10,271 BBLS SLICK H2O & 369,264# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:

- ☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY  
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: \_\_\_\_\_

30. WELL STATUS:

PROD

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## 31. INITIAL PRODUCTION

## INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 1/22/2009	TEST DATE: 2/13/2009	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 916	WATER – BBL: 340	PROD. METHOD: FLOWING
CHOKE SIZE: 24/64	TBG. PRESS. 565	CSG. PRESS. 1,096	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

## INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED: 1/22/2009	TEST DATE: 2/13/2009	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 916	WATER – BBL: 340	PROD. METHOD: FLOWING
CHOKE SIZE: 24/64	TBG. PRESS. 565	CSG. PRESS. 1,096	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

## INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## 32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

## 33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,347				
MAHOAGANY	2,093				
WASATCH	5,194	7,337			
MESAVERDE	7,349	9,392			

## 35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 2/25/2009

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

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